

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

Beverly Jones Heydinger	Chair
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
John Tuma	Commissioner
Betsy Wergin	Commissioner

**In the Matter of the Complaint by the
Minnesota Department of Commerce
Against the Charter Affiliates Regarding
Transfer of Customers**

DOCKET NO. P-6716, 5615/ C-14-383

**ANSWER TO CHARTER'S
APPLICATION FOR REHEARING
BY THE OFFICE OF THE
ATTORNEY GENERAL**

I. INTRODUCTION

The Office of the Attorney General - Residential Utilities and Antitrust Division ("OAG") respectfully submits this Answer to the Application for Rehearing that was filed by Charter Fiberlink CCO, LLC, Charter Fiberlink CC VIII, LLC, Charter Advanced Services (MN), LLC, and Charter Advanced Services VIII (MN), LLC ("Charter") on August 17, 2015, in the above-captioned matter. Charter asks the Minnesota Public Utilities Commission ("Commission") to grant a rehearing of the Commission's July 28, 2015 Order. The Commission should deny this application.

II. BACKGROUND

On March 1, 2013, residential service customers of Charter Fiberlink CC VIII, LLC and Charter Fiberlink CCO, LLC ("Charter Fiberlink"), which were state-regulated Competitive Local Exchange Carriers ("CLEC"), were transferred, or slammed, to two non-regulated entities of Charter, Charter Advanced Services (MN), LLC and Charter Advanced Services VII (MN), LLC ("Charter Advanced Services"). Before and after the switch, Charter offered customers a retail voice service through a technology known as fixed, interconnected voice over internet

protocol (“VoIP”), which, according to Charter’s Application, offers customers a service “similar to . . . traditional wireline telephone services that have traditionally been subject to . . . regulation at the state level.”¹ The Minnesota Department of Commerce (“Department”) filed a formal complaint against Charter on September 26, 2014, alleging, among other things, that Charter’s actions were undertaken without Commission approval, without meaningful customer notice, and had a negative impact on state consumer telecommunications protection and assistance programs. The OAG filed comments on January 16, 2015, that urged the Commission to take the Department-recommended action against Charter. The Commission held oral argument and deliberation of this matter over two days in May and filed its Order on July 28, 2015.

In its Order, the Commission first found that Charter provides “local service,” as set forth by Commission rules implementing the state’s telecommunication’s statute.² In doing so, the Commission relied upon evidence provided by Charter during the hearing that its voice service provided services that fit the definition of “local service” in the Commission’s rules.³ The Commission also addressed Charter’s argument that the Legislature intended to exempt fixed, interconnected VoIP from Commission authority. After finding that Charter’s service was a local service, the Commission next addressed whether federal law preempted the Commission’s authority over Charter’s VoIP offering.

This question—whether Charter’s service was an information or a telecommunications service—was the central question addressed by the Commission. A finding that Charter offered an information service would result in FCC preemption of state authority, while a finding to the contrary would allow Minnesota to have regulatory authority over Charter’s VoIP services. The

¹ Charter Application for Rehearing, Aug. 17, 2015, at 1.

² Commission Order, July 28, 2015, at 7.

³ Commission Order, July 28, 2015, at 7 (citing Minn. R. 7812.0100, subp. 33).

Commission weighed several decades of FCC orders and case law to arrive at its conclusion that Charter is offering telecommunications services, not information services, and thus is not preempted from state regulatory jurisdiction. This question was the focus of the Commission's questions at the hearing and during deliberations and its Order thoroughly explored the parties' positions and arguments as well as the body of authority that ultimately guided its decision.

Nothing in Charter's Application should compel the Commission to grant rehearing. In finding that the fixed, interconnected VoIP service offered by Charter was a local, telecommunications service, the Commission thoroughly considered the record before it. Charter did not raise any new issues, arguments, or other reasons that would support re-opening the docket and holding a rehearing. The Commission's Order demonstrates careful consideration and analysis of the complex issues of the case, which were thoroughly briefed and presented to the Commission. Contrary to Charter's claims, consumers would be affected by the switch from a regulated entity to a non-regulated entity, and it would upset the traditional regulatory structure in place to protect consumers. These issues are explored in greater detail below.

III. THE COMMISSION SHOULD DENY CHARTER'S APPLICATION FOR REHEARING.

Minnesota law requires parties who apply for rehearing to "set forth specifically the grounds on which the applicant contends the decision is unlawful or unreasonable."⁴ Commission rules require applications for rehearing to "set forth specifically the grounds relied upon or errors claimed."⁵ In recent orders denying applications for rehearing or reconsideration, the Commission has applied the following standard:

⁴ Minn. Stat. § 216B.27.

⁵ Minn. R. § 7829.3000 subp. 2.

Based upon [Commission review], the Commission finds that the motion does not raise new issues, does not point to new and relevant evidence, does not expose errors or ambiguities in the [Order], and does not otherwise persuade the Commission that it should rethink the decisions set forth in its order. The Commission concludes that its decision is consistent with the facts, the law, and the public interest, and will therefore deny the petition for reconsideration.⁶

To succeed, then, an application or petition must describe why the Commission's decision is unlawful, unreasonable, or erroneous by raising new issues, introducing new and relevant evidence, specifying errors or ambiguities in the order, or otherwise persuading the Commission that it should rethink its decision. Charter's Application fails on all counts, for the reasons described below.

A. CHARTER'S APPLICATION DOES NOT RAISE NEW ISSUES, POINT TO NEW AND RELEVANT EVIDENCE, OR EXPOSE ERRORS OR AMBIGUITIES IN THE ORDER.

The Commission should reject Charter's Application for Rehearing because Charter does not raise new issues, point to new and relevant evidence, or expose errors or ambiguities in the Order. Charter's application merely repeats arguments it made in its filings and during oral argument and deliberation. It even goes so far as to incorporate by reference arguments it made in earlier filings.⁷ These arguments were part of a well-developed record and the Commission's questions and discussion during the oral argument and the deliberation in May were thorough and searching. The July 28, 2015 Order evinces this careful reasoning. Simply asking the Commission to come to a different conclusion—on the central question it considered—without raising new issues, pointing to new evidence, or exposing errors or ambiguities, does not come close to the standard required by the Commission for reconsideration or rehearing. Moreover, the Commission's legal analysis carries with it none of the deficiencies claimed by Charter. The

⁶ See, e.g., *In the Matter of Establishing a Distributed Solar Value Methodology under Minn. Stat. § 216.164, subd. 10(e) and (f)*, Docket No. E-999/M-14-65, Order Denying Reconsideration (May 16, 2014) at 1.

⁷ See, e.g., Charter Application for Rehearing, Aug. 17, 2015, at 22.

Commission's analysis—and Charter's counterarguments—are discussed in greater detail in the next section.

B. THE COMMISSION'S ORDER IS NEITHER UNLAWFUL NOR UNREASONABLE.

Charter's primary argument throughout this docket has been that the services it provides should be classified under the federal Telecommunications Act as an information service, not a telecommunications service. The Commission's jurisdiction over Charter's fixed, interconnected VoIP hinged on this determination and, as the central issue in front of the Commission, it was thoroughly briefed, argued, and deliberated. If the Commission found that it was an information service, the service would fall under the FCC's Title I authority and the state would be preempted from asserting its jurisdiction. If the Commission found that Charter was providing a telecommunications service, however, it would fall under the FCC's Title II authority and the state could regulate it if it met the requirements for regulation under state law. The Commission found that "Charter's interconnected VoIP service is a telecommunications service over which this Commission has jurisdiction."⁸ While Charter's Application provides no new information, it does tick through arguments it has previously made to the Commission while attempting to show that the Commission's decision was "unlawful or unreasonable."⁹

Charter argues, in its Application, that "the Commission's decision is unlawful because the law preempts the Commission's exercise of jurisdiction."¹⁰ "The Commission," according to Charter, "erroneously determined that Charter's Spectrum VoiceTM, as an interconnected VoIP

⁸ Commission Order, July 28, 2015, at 12. The Commission's Order found that Charter's fixed, interconnected VoIP service met the definition of "local service" under Minn. Stat. § 237.16 before it moved to the question of whether federal law preempted regulation. Charter's Application addressed the state law issue after its argument about federal preemption.

⁹ Minn. Stat. § 216B.27 subd. 2.

¹⁰ Charter Application for Rehearing, Aug. 17, 2015, at 6.

service, qualified as a “telecommunications service” under federal telecommunications law.”¹¹ Charter points to a litany of “errors” to make this argument, but the Commission’s decision was based on sound legal reasoning and should stand. The following sub-sections will introduce some of these arguments and will show why the Commission’s analysis was correct.

1. Charter Is Offering A Transmission Service, Not A Packet Conversion Service.

Charter mischaracterizes its service as the offering of a packet conversion service to argue that its fixed, interconnected VoIP service is an information service rather than a telecommunications service.¹² The Commission, meanwhile, framed the offering differently—and correctly—as a “transmission service” that uses “protocol conversion to facilitate the provision of that service.”¹³ The Telecommunications Act of 1996 defined “telecommunications service” as “the offering of telecommunications for a fee directly to the public . . . regardless of the facilities used.”¹⁴ “Information service” is defined as “the offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available via telecommunications . . . but does not include any use of such capability for the management, control, or operation of a telecommunications system or the management of a telecommunications service.”¹⁵ Both sides’ arguments turned on the meaning of the word “offering.” The Commission’s interpretation—that the offering had “the core characteristics of a telecommunications service”¹⁶—most closely aligns with the law.

¹¹ *Id.*

¹² See Charter Application for Rehearing, Aug. 17, 2015, at 6–8 (stating that the “transformation” and “processing” of calls from IP to TDM and back “is the feature that makes interconnected VoIP attractive to the public”).

¹³ July 28, 2015 Order at 12.

¹⁴ 47 U.S.C.A. § 153(53). The law defines “telecommunications” as “the transmission, between or among points specified by the user, of information of the user’s choosing, without change in the form or content of the information as sent and received. 47 U.S.C.A. § 153(50).

¹⁵ 47 U.S.C.A. § 153(24).

¹⁶ Commission Order, July 28, 2015, at 13.

The Commission first looked at the statutory definition of “telecommunications” in the statute.¹⁷ It found that Charter’s service allowed phone-to-phone transmission via the public telephone network, to a point, i.e., telephone number, of the user’s choosing, with “no net change in form or content from the user’s standpoint.”¹⁸ Charter’s service offering thus fits the federal definition of “telecommunications.” The Commission next addressed the main contention of Charter: that even if its service was similar to telecommunications, the main offering was in fact packet conversion, an information service. The Commission cited the “telecommunications management exception”¹⁹ in the statutory definition of “information service” as well as the FCC’s interpretation of that exception to find that “packet switching and protocol conversion are not the services offered to customers, but are instead technologies or mechanisms used to facilitate the calling or transmission service Charter actually offers to the public.” In briefing papers, Commission staff analyzed three categories of protocol processing that would fall under the telecommunications management exception and found that two of the three examples applied to Charter’s service.²⁰

Packet processing is not the primary offering of Charter’s service. Congress recognized this when it wrote the definitions of telecommunications and information services. The FCC recognized this when it interpreted these definitions in the face of a changing telecommunications landscape. And the Commission recognized this when it properly applied this authority and classified Charter’s service as a telecommunications service. In the 20th Century, the allure of placing a phone-to-phone call was not the cutting-edge technology used to

¹⁷ 47 U.S.C.A. § 153(50).

¹⁸ *Id.*

¹⁹ “[Information service] does not include any use of such capability for the management, control, or operation of a telecommunications system or the management of a telecommunications service.” 47 U.S.C.A. § 153(24).

²⁰ Commission Staff’s Briefing Papers, April 29, 2015, at 55–59.

transmit information; it was, as it remains today, the ability to speak to another person—on the other side of the street or the other side of the world—as if in the same room.

2. The Commission Properly Found That The Facts In This Matter Are Distinguished From The Holding In *Vonage I*.

Charter’s contention that it provides an information service relies heavily upon the holding in the 2003 Minnesota District Court case, *Vonage I*, which held that Vonage’s *nomadic* interconnected VoIP service was an information service.²¹ The company argued that the holding in *Vonage I* was that Vonage’s service—which it maintains is “identical” to Charter’s service—was an information service because it performed a protocol conversion.²²

In its Order, the Commission found Charter’s argument lacking for two reasons. First, the Commission noted that a subsequent order by the FCC, which was later affirmed by the Eighth Circuit, found that the state was preempted because of the nomadic nature of the VoIP service, not the packet conversion.²³ Second, the Commission noted that the District Court relied on the fact that Vonage’s service relied on the internet as its backbone, an attribute not shared by Charter’s service.²⁴ Charter called the latter finding “a factual distinction without any legal significance.”²⁵ A closer reading of *Vonage I*, however, suggests that Vonage’s reliance on the public internet was of utmost significance to its ultimate conclusion. Unlike Charter, which provides phone-to-phone telephony, Vonage provided only computer-to-phone or computer-to-

²¹ *Vonage Holdings Corp. v. Minn. Pub. Utils. Comm’n* 290 F. Supp. 2d 993 (D. Minn. 2003) (hereinafter *Vonage I*). The term “nomadic” VoIP was adopted after this decision to refer to services that are computer-based and thus allow the user to make calls from the same originating number at any geographical location with an internet connection. In contrast, the “fixed” VoIP service offered by Charter is tethered to a fixed geographical location, much like a traditional landline telephone. This distinction was explored by the 2004 FCC order that preempted Minnesota from regulating Vonage’s VoIP service because of the impossibility of severing the state and federal jurisdiction because of the nomadic nature of the service. See Commission Staff’s April 29, 2015 Briefing Papers at 17–19.

²² Charter Application for Rehearing, Aug. 17, 2015, at 10.

²³ Commission Order, July 28, 2015, at 12.

²⁴ *Id.*

²⁵ Charter Application for Rehearing, Aug. 17, 2015, 10.

computer telephony.²⁶ The concept of placing a call from a computer to a phone (or another computer) over the internet was a new concept for many at the time. The *Vonage I* decision, penned at a time before the existence of Facebook or YouTube, was thus concerned with any action that could “have the unintended consequence of retarding the expansion of the Internet.”²⁷ The language used by the court clearly demonstrates the importance the court placed in not harming the “niche,” internet-based product Vonage was offering.²⁸ The court’s initial remark that “the backbone of Vonage’s service is the Internet”²⁹ is not dicta, as Charter suggests, but rather the lens through which the entire decision should be viewed. Vonage was attempting to navigate a primordial landscape—internet-based telecommunication—that the court feared could be upset by the imposition of any state regulation. Contrary to Charter’s assertion in its Application,³⁰ the court’s subsequent discussion of regulatory changes in telecommunications unfolded entirely within the shadow of the influence of the internet and the computer on telecommunications.³¹ Charter, however, is navigating an altogether different landscape.

Charter’s service does not require the user to have internet access service, or even a computer. Its marketing literature describes its service explicitly as “not an Internet phone service.”³² The company goes on to frame the type of service it offers customers. For example, “[t]he service works with your existing phone wires, phones, and wall jacks.”³³

²⁶ *Vonage I*, at 1000.

²⁷ *Id.* at 1003.

²⁸ *Id.* (describing the impact even a “brief shutdown” could have on Vonage’s position as a leader of “its business niche” should the Minnesota Public Utilities Commission be allowed to regulate its services).

²⁹ *Id.* at 997.

³⁰ Charter Application for Rehearing, Aug. 17, 2015, at 11 (noting that the “backbone” comment was made “*prior* to its examination” of recent changes to the telecommunications regulatory scheme and that “the Court’s application of that regulatory scheme in no way turned on Vonage’s use of the public Internet) (emphasis in original).

³¹ *Vonage I* at 997. “The growing capability of the computer and its interaction with the telecommunications technology presented challenges acknowledged by the [FCC] over twenty years ago.”

³² Department Complaint, Sept. 26, 2014, at Attachment E, p.4.

³³ *Id.*

And,

Charter offers a primary line phone service that is comparable to traditional phone service. Charter Phone uses Internet protocol for transporting calls over our own private network, so your calls never touch the public Internet. Charter Phone can be installed via any in-home phone jack, and the service does not require an Internet connection.³⁴

Charter's customer-facing statements point to a key distinction between the facts of *Vonage I* and here. The representations support the Commission's conclusion that the internet, and its role in *Vonage I*, is one of the distinctions to be made when assessing Charter's service. But there are other distinctions that also support the Commission's reasoning. First, the Commission rightly noted that the FCC ultimately preempted the state's jurisdiction because of the nomadic nature of Vonage's VoIP services, not the underlying packet conversion.³⁵ The state's jurisdiction is preempted only in the case of nomadic VoIP (instead of fixed VoIP), without regard to whether it offered packet conversion. Packet conversion has nothing to do with the severability of intra- versus interstate service at issue in the FCC order.

In addition, there is another distinction between Vonage and Charter that didn't make the Commission's Order, but that has policy ramifications: the magnitude of the potential harm. The court in *Vonage I* addressed the small number of Vonage customers—500—in the state as it weighed the potential harm in allowing state commission regulation.³⁶ It found that the magnitude of harm that would be inflicted upon Vonage by the regulation outweighed the “little risk of harm to the interests the MPUC represents.”³⁷ The number of customers affected by the

³⁴ *Id.*

³⁵ Commission Order, July 28, 2015, at 12 (noting that the FCC's decision hinged on the “impossibility” of identifying intrastate and interstate components of a service whose geographic points could not be determined).

³⁶ *Vonage I*, at 997.

³⁷ *Id.* at 1003.

Charter switch, although protected under a trade secret designation, dwarfs the impact contemplated in *Vonage I*.³⁸

For the reasons above, the Commission properly found that the facts of the Charter matter are distinguished from the holding in *Vonage I*. *Vonage I* ultimately supports the Commission's finding that Charter is providing telecommunications services. This finding allows the Commission to turn to the question of whether its services fit within the state regulatory scheme.

3. The Commission Properly Found Charter's Service To Be A "Local Service" And Thus Subject To The Commission's Regulation.

The Commission properly found that it had jurisdiction to regulate Charter's fixed, interconnected VoIP service because it is a "local service" under Minnesota law. Under Minnesota law, the Commission regulates telecommunications carriers that provide local service. In "execut[ing] its regulatory duties," the Commission is required to consider a list of telecommunications goals, listed in Minn. Stat. § 237.011, that include in relevant part:

- (1) supporting universal service;
- (2) maintaining just and reasonable rates;
- ...
- (4) encouraging fair and reasonable competition for local exchange telephone service in a competitively neutral regulatory manner;
- (5) maintaining or improving quality of service;
- (6) promoting customer choice; [and]
- (7) ensuring consumer protections are maintained in the transition to a competitive market for local telecommunications service

These goals are applied when the Commission regulates "local service," defined as "dial tone, access to the public switched network, and any related services in conjunction with dial tone and access" ³⁹ The Commission found that Charter's service met both of these conditions and was thus a "local service" subject to Commission regulation.

³⁸ See Department's Trade Secret Complaint, Sept. 26, 2014 Complaint, at 6.

³⁹ Minn. R. § 7812.0100 subp. 33.

Charter made three arguments against state jurisdiction in its Application. First, Charter disagreed with the finding of jurisdiction for technological reasons, noting that “the technological differences between Interconnected VoIP and wireline service preclude any holding that Interconnected VoIP is ‘telephone service’ under Minnesota law.”⁴⁰ Second, the company also argued that a lack of express inclusion of fixed, interconnected VoIP in amendments to Minnesota law evinces legislative intent to *not* regulate the service. Finally, the company argued that state regulation would be unnecessary because it competes with other call technologies.

The Commission thoroughly addressed each of these points in its Order. First, it found that “no laws have been enacted, nor any rules promulgated, that establish different levels of Commission authority based on the technology or protocol used to deliver a service.”⁴¹ This addresses Charter’s first two arguments. Next, the Commission described the Department’s discussion on the important policy reasons—beyond monopolistic evils—that compel regulation of Charter’s service. Failure to regulate “would harm both Charter’s customers, who would be deprived of numerous consumer protections, and other telecommunications carriers, who would be deprived of the ability to compete with Charter on a level playing field.”⁴² The Commission properly found that it had jurisdiction under state law, notwithstanding Charter’s arguments to the contrary. Charter’s arguments provide no reason for the Commission to change its order.

⁴⁰ Charter Application for Rehearing, Aug. 17, 2015, at 22.

⁴¹ Commission Order, July 28, 2015, at 8.

⁴² *Id.* at 7.

IV. THE COMMISSION'S ORDER ENSURES THAT CUSTOMERS ARE PROTECTED UNDER THE TRADITIONAL TELECOMMUNICATIONS REGULATORY STRUCTURE.

As technologies like VoIP become “the new normal,”⁴³ it is important to maintain the traditional regulatory structure and the attendant consumer protections the traditional structure provides.⁴⁴ Charter was, throughout this docket, dismissive of the impact its actions could have on the consumers who were slammed by the company.⁴⁵ As the Department pointed out, both government regulators and private entities recorded consumer complaints about Charter, and Charter itself has refused to provide information about consumer complaints.⁴⁶

At the outset, it is important to remember that the consumers' role in this arena is not to be a corporate watchdog, alerting regulators whenever a corporate restructuring could have an impact on the regulatory jurisdiction of the service they receive. That is the role of state regulators. The consumers' role is more akin to the proverbial canary in a coal mine. Some consumers sound an alert when a company acts improperly. The power, then, of a state regulator like the Commission lies within that body's capacity to investigate such complaints and, importantly, to do something to correct the wrong.⁴⁷

⁴³ Commission Staff's Briefing Papers, April 29, 2015, at 54 (noting that, as of the end of 2013, Minnesotans had purchased over 850,000 VoIP subscriptions and that VoIP subscriptions in the country consisted of over one-third of all wireline connections).

⁴⁴ See *Resolution 2012-01 Retention of Traditional Regulatory Oversight of all Voice Telephone Services*, The Nat'l Assoc. of State Util. Consumer Advocates, (June 25, 2012) (describing the importance of maintaining “traditional consumer protections” as technologies like VoIP become more prevalent in voice services) (attached as Exhibit A).

⁴⁵ See, e.g., Charter's Answer, Dec. 18, 2014, at 19 (stating that the Department “does not document a single customer complaint against Charter's interconnected VoIP service” and that the company shouldn't be forced to “comply with state government regulations merely for the sake of doing so”).

⁴⁶ Department Comments, Jan. 30, 2015, at 10–12 (summarizing complaints against Charter recorded by the Department, the Commission's Consumer Affairs Office, and the Better Business Bureau, and stating “Charter was asked by the Department to provide information on complaints it has received since March 2013, either directly or referred from a government agency, but Charter chose not to cooperate and has refused to share this information.”) (footnote omitted).

⁴⁷ As previously noted, Minnesota law requires the Commission to execute its regulatory duties with certain consumer protection goals in mind. See Minn. Stat. § 237.011.

Without the ability to regulate an entity such as Charter, whose fixed, interconnected VoIP service is “comparable to a traditional phone service,”⁴⁸ and whose service fits squarely within the traditional regulatory structure of the state, the system is thrown out-of-balance. This imbalance could manifest itself in ways that may not even be apparent today. But the continued regulatory authority of the Commission will ensure that the traditional consumer protection role the Commission plays will continue, even as new technologies emerge to provide the same service that Minnesotans have relied upon for generations.

V. CONCLUSION

The Commission should deny Charter’s Application for Rehearing. The Application raises none of the issues that could compel the Commission to reopen the docket and hold a rehearing on the matter. Further, the Commission’s analysis was thorough and properly applied the relevant law. Charter seeks to avoid regulation by the state via a technological end-around and corporate sleight-of-hand, but state law and the duties of the Commission do not allow it.

Dated: August 27, 2015

Respectfully submitted,

LORI SWANSON
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State of Minnesota

s/ Joseph A. Dammel

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ATTORNEYS FOR STATE OF MINNESOTA

⁴⁸ Department Complaint, Sept. 26, 2014, at Attachment E, p.4.

EXHIBIT A

2012-01 Retention of Traditional Regulatory Oversight of all Voice Telephone Services

THE NATIONAL ASSOCIATION OF STATE UTILITY CONSUMER ADVOCATES

RESOLUTION 2012-01

Urging the retention of traditional regulatory oversight and associated public interest obligations with respect to all voice telephone service, including VoIP, regardless of the technology used to provide the service.

WHEREAS, pursuant to the Communications Act of 1934, it is the long standing policy of the United States to make available, so far as possible, to all the people of the United States a rapid, efficient, nationwide, and worldwide wire and radio communication service with adequate facilities at reasonable charges; and

WHEREAS, the "Public Switched Telephone Network" (PSTN) is comprised of publicly available, interconnected circuit-switched networks operated by telephone corporations used to provide voice telephone service throughout the United States and internationally; and

WHEREAS, federal and state regulatory oversight of the PSTN has fostered the advance of universal telephone service; and

WHEREAS, the transmission and switching technology deployed in the PSTN has continually evolved over time, and can be expected to further evolve as transmission and switching technology changes; and

WHEREAS, Incumbent Local Exchange Carriers (ILECs) are redesigning and rebuilding their networks so that they may provide both telecommunications and broadband services to subscribers over their local facilities, including the facilities that are the functional equivalent of the local loop; and

WHEREAS, the redesign of networks to provide broadband service is leading to a change in the way that voice telephone service is provided, so that interconnected Voice over Internet Protocol (VoIP) is used to manage and transmit traffic and complete voice telephone calls in a manner that, from the perspective of customers, is functionally equivalent to circuit-switched voice telephone service; and

WHEREAS, the transmission facilities including, but not limited to, wire, fiber, radio equipment, poles and conduit used by telephone corporations to provide VoIP voice telephone services are the same facilities needed to provide service on the PSTN; and

WHEREAS, telephone and cable corporations are incorrectly claiming that the evolutionary transition to VoIP constitutes the end of the PSTN, and thus all associated regulatory oversight and associated public obligations; and

WHEREAS, the FCC has considered proposals to establish a "sunset date" for the PSTN; and

WHEREAS, in Resolution 2003-05 NASUCA recognized that telecommunications service providers were modifying their networks so that they may provide telecommunications services using VoIP, that the regulation of VoIP and VoIP-like services may be better accomplished under Title II of the Communications Act, and that both state and federal regulators are responsible for ensuring the continued widespread availability of reliable, affordable and high quality telephone services; and

WHEREAS, the National Association of State Utility Consumer Advocates urges the FCC and states, here and in a companion resolution (Resolution 2012-02), to preserve traditional consumer protections including, but not limited to,

carrier of last resort and eligible telecommunications carrier obligations;

NOW THEREFORE, BE IT RESOLVED, the transition to VoIP is the next step in the evolution of the PSTN, and the regulatory oversight and associated public interest obligations traditionally applied to the PSTN should apply to voice telephone service regardless of the technology used to provide the service; and

BE IT FURTHER RESOLVED, that the Telecommunications Committee of NASUCA, with the approval of the Executive Committee of NASUCA, is authorized to take all steps consistent with this Resolution in order to secure its implementation.

Adopted June 25, 2012

Charleston, South Carolina

Submitted by the Telecommunications Committee

Abstentions: Indiana, Massachusetts, Michigan, Wyoming



LORI SWANSON
ATTORNEY GENERAL

STATE OF MINNESOTA

OFFICE OF THE ATTORNEY GENERAL

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August 27, 2015

Dan Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

**RE: In the Matter of the Complaint by the Minnesota Department of Commerce Against
the Charter Affiliates Regarding Transfer of Customers
Docket No. P-6716, 5615/C-14-383**

Dear Mr. Wolf:

Enclosed and e-filed in the above-referenced matter please find Answer to Charter's Application for Rehearing by the Office of the Attorney General.

By copy of this letter all parties have been served. An affidavit of service is also enclosed.

Sincerely,

s/ Joseph A. Dammell

JOSEPH A. DAMMEL
Assistant Attorney General

(651) 757-1061 (Voice)
(651) 296-9663 (Fax)

Enclosures
cc: Service List

AFFIDAVIT OF SERVICE

**RE: In the Matter of the Complaint by the Minnesota Department of Commerce Against
the Charter Affiliates Regarding Transfer of Customers
Docket No. P-6716, 5615/C-14-383**

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

I, Julie Peick, hereby state that on the 27th day of August, 2015, I efiled with eDockets **Answer to Charter's Application for Rehearing by the Office of the Attorney General** and served the same upon all parties listed on the attached service list via electronic submission.

See Attached Service List

s/ Julie Peick
Julie Peick

Subscribed and sworn to before me
this 27th day of August, 2015.

s/ Patricia Jotblad
Notary Public
My Commission expires: January 31, 2020.

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Arnie	Anderson	ArnieAnderson@MinnCAP.org	Minnesota Community Action Partnership	MCIT Building 100 Empire Drive, Suite 202 St. Paul, MN 55103	Electronic Service	No	OFF_SL_14-383_Official
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_14-383_Official
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_14-383_Official
Ron	Elwood	relwood@mnlisap.org	Mid-Minnesota Legal Aid	2324 University Ave Ste 101 Saint Paul, MN 55114	Electronic Service	No	OFF_SL_14-383_Official
Samuel L	Feder	sfeder@jenner.com	Jenner & Block LLP	1099 New York Ave NW Ste 900 Washington, DC 20001	Electronic Service	No	OFF_SL_14-383_Official
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