

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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

In the Matter of a Petition by
Citizens Telecommunications Company of Minnesota, LLC to P-407/AR-15-388
Adopt an Existing Alternative Form of Regulation Plan (AFOR)

**JOINT REPLY COMMENTS AND SETTLEMENT REPORT OF
CITIZENS TELECOMMUNICATIONS COMPANY OF MINNESOTA, LLC AND
THE MINNESOTA DEPARTMENT OF COMMERCE**

On April 27, 2015, Citizens Telecommunications Company of Minnesota, LLC (“CTC-Minnesota”) filed notice with the Commission that it was electing to opt into the existing Alternative Form of Regulation Plan (“AFOR”) of Frontier Communications of Minnesota, Inc. (“Frontier-Minnesota”) which the Commission approved in Docket P405/AR-14-735 on February 23, 2015. CTC-Minnesota is an affiliate of Frontier-Minnesota, as both are wholly owned subsidiaries of Frontier Communications Corporation. Frontier-Minnesota’s plan was effective on March 1, 2015 and will continue in effect through February 28, 2018. Pursuant to the adoption of Frontier-Minnesota’s AFOR, CTC-Minnesota will operate under that plan beginning November 1, 2015 for three years.

Subsequently, the Minnesota Department of Commerce (“Department”) filed comments with the Commission, noting that certain aspects of CTC-Minnesota’s April 27 filing were inconsistent with the Frontier AFOR. On July 15, 2015, CTC-Minnesota filed a revised AFOR document that addressed the matters raised by the Department. Specifically, the revised document incorporates a modification to Section IV, B(1)(a) that the Commission ordered to the Frontier-Minnesota AFOR. Also, the listing of tariffed services in Appendix A of the revised AFOR document tracks the categorization of services used in the Frontier-Minnesota AFOR. Private and Semi-private Directory Listings, Toll Restriction, and Intralata Operator Services are

classified as Price-regulated services. CTC Minnesota will modify its Flexibly priced and Price-Regulated tariffs accordingly. Additionally, the revised filing included new language regarding Line Extensions that will be incorporated into the CTC-Minnesota tariff for Price-Regulated services. CTC-Minnesota noted that it intended to make these tariff changes within 30 days of a Commission Order approving the AFOR adoption.

On July 17, 2015, the Commission issued its Order Establishing Procedural Schedule and Requiring Public Outreach which established a procedural schedule calling for comments to be filed by August 14, 2015 and reply comments by August 24, 2015. CTC-Minnesota and the Department filed joint comments on August 14 indicating that prior to filing a settlement agreement they wished to give consideration to any comments filed by other parties in this matter. No other comments were filed.

Settlement

CTC-Minnesota and the Department have engaged in settlement discussions regarding the AFOR adoption. With the corrections and modifications reflected in the July 15 filing, the Department supports the AFOR adoption proposal of CTC-Minnesota. CTC-Minnesota and the Department believe that the adoption proposal complies with the provisions of Minnesota Statute that address alternative regulatory plans, and urge the Commission to accept and approve the AFOR proposal, as reflected in the July 15, 2015 filing.

Dated August 21, 2015

Respectfully submitted,

CITIZENS TELECOMMUNICATIONS COMPANY OF MINNESOTA, LLC

/s/ Scott Bohler

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MINNESOTA DEPARTMENT OF COMMERCE

/s/ Katherine Doherty

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