

Minnesota Public Utilities Commission
Staff Briefing Paper

Meeting Date: February 20, 2014..... * Agenda Item # 2

Companies: Charter Fiberlink; Connexion Technologies; Primecast; Mobile Estates; and Riverstone Communities

Docket No. P-5615/C-11-213
In the Matter of the Complaint of Charter Fiberlink CC VIII, LLC Against Capitol Infrastructure, LLC d/b/a Connexion Technologies; Broadstar, LLC d/b/a Primecast; Mobile Estates, LLC; and Riverstone Communities

Issues: Should the Commission terminate the proceeding and close the docket?

Staff: Kevin O’Grady.....651-201-2218

Relevant Documents

Charter FiberLink Complaint..... March 15, 2011
Order Requiring Answer and Granting Variance April 20, 2011
DOC Comments..... January 22, 2014

The attached materials are work papers of Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless noted otherwise.

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Discussion

On March 15, 2011, Charter filed its complaint seeking relief from what it viewed as improper and anticompetitive threats and practices engaged in by Connexion and Primecast. In addition, Charter sought relief from Mobile Estates and Riverstone Communities, LLC, pursuant to Minn. Stat. § 237.681, which requires that tenants of properties receiving private shared services be permitted a choice of alternative providers of telecommunications service providers.

CharterLink's claims arise from the assertion by Connexion, Primecast, Mobile and Riverstone that Connexion and/or Primecast are entitled to be the sole and exclusive providers of telecommunications services to residents of two mobile home parks owned by Mobile and operated on Mobile's behalf by Riverstone.

Charter Fiberlink provided service to customers at the Parkside Mobile Home Park in Rochester, Minnesota, and the Pleasantview Mobile Home Park in Duluth, Minnesota, both parks operated by Mobile Estates and its agent Riverstone Communities. Charter argued that Mobile entered agreements with Connexion to coordinate and provide telecommunication services in Parkside and Riverview and that, subsequently, Charter's customers were informed by Connexion (and Connexion's provider, Primecast) that Charter would no longer be providing their service.

On April 20, 2011, the Commission issued an order requiring Connexion, Primecast, Mobile Estates and Riverstone to answer the complaint.

On July 21, 2011, Charter indicated that the parties had reached a settlement and requested withdrawal of the complaint.

On August 1, 2011, the Minnesota Department of Commerce (DOC) filed comments recommending that it be granted additional time to complete its investigation.

On January 22, 2014, DOC filed comments stating that it does not believe that further investigation is warranted and recommending that the Commission terminate the current proceeding and close the docket.

DOC stated that, on or about June 14, 2012, a U.S. bankruptcy judge in Delaware approved the sale of almost all of the telecommunication assets of Connexion. Soon thereafter Connexion began shutting down its operations. DOC understands that Connexion no longer provides telecommunications services in Minnesota. The two Minnesota locations, which were previously served by Connexion, and are the subject of the current complaint, are located in the Duluth and Rochester exchanges. The Duluth and Rochester exchanges are part of the service

area of CenturyLink. DOC contacted CenturyLink to inquire whether it knew of any difficulties faced by Connexion customers in obtaining telecommunications services from other providers. CenturyLink stated that it was not aware that Connexion customers in Rochester and Duluth had encountered any difficulties in switching to alternative carriers when Connexion ceased operations in 2012.

Commission Options

1. Terminate the current proceeding and close the docket.
2. Take other action.

Staff recommends Option 1. Charter has sought to withdraw the complaint and DOC has recommended closure. Connexion has declared bankruptcy and no longer serves customers in Minnesota. Staff is unaware of any customer concerns or any other remaining controversy.