

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

Katie Sieben
Hwikwon Ham
Audrey Partridge
Joseph K. Sullivan
John Tuma

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter the Joint Application of Forged
Fiber 37, LLC, Qwest Corporation dba
CenturyLink QC, CenturyLink of Minnesota,
Inc. and CenturyLink Communications, LLC
Regarding Transfer of Control of Lumen's
Minnesota Mass Markets Fiber Business

MPUC Docket No. P421, 430, 5096/
PA-25-279

REPLY COMMENTS

I. INTRODUCTION

Forged Fiber 37, LLC¹ and Qwest Corporation dba CenturyLink QC (“CenturyLink QC”), CenturyLink of Minnesota, Inc. (“CenturyLink MN”), and CenturyLink Communications, LLC (“CCLC”) (collectively “Lumen”) (Forged Fiber 37, LLC and Lumen, collectively, the “Applicants”) submit these Reply Comments in response to the September 16, 2025 comments of the Minnesota Department of Commerce (“Department”), the Minnesota Office of the Attorney General (“OAG”) and the Communication Workers of America (“CWA”), CWA’s September 26, 2025 reply comments,² and Legal Services Advocacy Project comments filed August 29, 2025.

AT&T has agreed to purchase certain parts of Lumen’s Mass Markets (i.e., residential and small business) fiber-based broadband internet connectivity business (the “Transaction”).³ In Minnesota, those assets are located in and around the Twin Cities metropolitan area.

The Transaction does not involve the transfer of any regulated service, nor does it result in change in control of any regulated service provider. The Commission, therefore, should determine that its approval is not necessary. But even if the Commission decides otherwise, the record shows that the Transaction is in the public interest.

The Transaction will fully preserve Lumen’s regulated service in Minnesota—existing customers will continue to receive service in the same manner, from the same provider, and with

¹ The July 7, 2025 Joint Application refers to Forged Fiber 37, LLC as “AT&T NetworkCo.” Forged Fiber 37, LLC, along with other subsidiaries and affiliates of AT&T Inc., is referred to herein as “AT&T”. Unless otherwise defined herein, defined terms are used as defined in the Joint Application.

² CWA supports approval of the Transaction. See CWA Reply Comments at 1. In light of CWA’s reply comments noting that its issues have been resolved, the Applicants are not citing to the CWA September 16 comments, but have addressed certain substantive issues herein.

³ The Transaction involves acquisition by AT&T of certain parts of Lumen’s Mass Markets fiber-based broadband internet connectivity business in Minnesota, Arizona, Colorado, Florida, Idaho, Iowa, Nebraska, Nevada, Oregon, Utah, and Washington.

the same prices and terms, as they do today. And, contrary to the September 16 comments, the Transaction will provide benefits to Minnesota customers, both by placing Lumen in a stronger financial position for continued regulated service in the future, and by enabling AT&T to expand fiber broadband services in Minnesota. Further, no material facts are in dispute, so a contested case is unnecessary. The Commission, therefore, should make a determination that approval of the Transaction is not required, or, in the alternative, promptly approve the Transaction pursuant to Minn. Stat. §§ 237.23 and 237.74, subd. 12, and any other applicable statutes or rules, including the grant of any and all consents and approvals from the Commission necessary to carry out the Transaction.

II. SCOPE OF THE TRANSACTION

The Commission should determine that its approval of the Transaction is not necessary, consistent with established Commission practice.⁴ Minn. Stat. § 237.23 provides that the Commission's approval is necessary for "any telephone company, corporation, person, partnership, or association subject to the provisions of this chapter to purchase or acquire" property "of any telephone company doing business within the state." The statute, however, provides an exception: "Telephone companies may sell and dispose of any property not used by said telephone companies in the conduct of their business at the time of the sale without the consent of the commission."⁵ Context makes clear that this exception authorizes telephone companies to sell

⁴ See *In the Matter of an Application for Approval of a Corporate Reorganization by Winstar Wireless, Inc.*, Docket No. P5246/PA-00-925, Order (Aug. 25, 2000) (adopting recommendations of the Department of Commerce that no Commission approval is required when there is no change in ultimate ownership of the regulated company and the transaction has no effect on the regulated operating companies).

⁵ Minn. Stat. § 237.23.

property not being used “in the conduct of their business” *as a regulated telephone company*; otherwise, the scope of the exception would be trivial.

The bulk of assets being sold here are not being used by Lumen “in the conduct of their business” as a state-regulated entity. As set forth in more detail in the Joint Application, this Transaction involves AT&T’s acquisition of certain parts of Lumen’s Mass Markets fiber business in and around the Twin Cities metropolitan area, along with certain parts of Lumen affiliates’ Mass Markets fiber businesses in 10 other states. The Transaction does not include Lumen’s traditional regulated telecommunications business (including any local exchange services) or Lumen’s over-the-top Voice Over Internet Protocol (“VoIP”) offering. Nor does it include Lumen’s businesses serving enterprise and carrier customers. Lumen subsidiaries CenturyLink QC and CenturyLink MN will continue to be incumbent local exchange carriers (“ILECs”) in Minnesota and remain subject to the accompanying regulatory obligations throughout their respective service territories. These ILECs will keep their traditional copper telephone networks, their copper-based, lower-speed broadband businesses, and a small number of fiber connections, as well as all customers subscribing to these services. The Transaction, in other words, will not result in a change in control of any regulated service providers in Minnesota, or any other discernable changes to the entities insofar as they provide regulated service.

But even if the Commission were to exercise jurisdiction over the Transaction, these features of the Transaction call for a narrowly focused review. Only a small fraction of the assets at issue in this Transaction have even an arguable relationship with telephone service regulated under Chapter 237. Specifically, Lumen serves a very small portion of its regulated customer population (approximately [NOT PUBLIC DATA BEGINS ... ██████ ... NOT PUBLIC DATA

ENDS] customers) using some of the fiber facilities to be transferred to AT&T.⁶ Even that small group of customers will remain Lumen’s customers after closing—and Lumen’s regulatory obligations to provide voice service upon request will continue unchanged.

The initial comments focus on issues outside of this limited scope. To be sure, the commenters identify weighty issues—including concerns about rural access to broadband, which Lumen and AT&T agree is a critically important interest for the State and Greater Minnesota residents,⁷ albeit outside the Commission’s jurisdiction.⁸ But this Transaction involves only fiber assets in and around the Twin Cities metropolitan area. Only a small fraction of this fiber is being used to support Lumen’s retained regulated service, and there is no dispute that the Transaction will not disrupt present service or transfer regulated customers or obligations. Any review, therefore, should be limited to the minor portion of property supporting regulated service.

III. PUBLIC INTEREST BENEFITS

Parties agree that if the Transaction requires approval, the Commission does so under a public interest standard.⁹ The Department and OAG, however, contend the Applicants have not demonstrated sufficient public interest benefits.¹⁰ The Applicants respectfully disagree. The public interest standard focuses on two key factors: (1) “whether service will be preserved”; and (2) “whether a transaction will provide possible benefits to Minnesota consumers.”¹¹ The Transaction

⁶ Joint Application at 7-8.

⁷ *E.g.*, Department Initial Comments at 5-6.

⁸ *See Minn. Pub. Utils. Comm’n. v. F.C.C.*, 483 F.3d 570, 580 (8th Cir. 2007) (holding “any state regulation of an information service conflicted with the federal policy of nonregulation”) *aff’d Charter Advanced Servs. (MN), LLC v. Lange*, 903 F.3d 715, 719 (8th Cir. 2018); *In re MCP No. 185*, 124 F.4th 993, 998 (6th Cir. 2025) (holding broadband is an “information service” as defined in the Communications Act, as amended by the Telecommunications Act of 1996).

⁹ Joint Application at 9, Department Comments at 4-5, OAG Comments at 12-13.

¹⁰ Department Comments at 1-2, 5-7, OAG Comments at 7.

¹¹ *In the Matter of the Joint Application of Frontier Communications Corporation et al*, Docket No. P-405, P-407, P-5361/PA-20-504, Order Approving Transfer of Control of Minnesota Telecommunications Subsidiaries at 3 (Dec. 7, 2020).

clearly meets this standard, as it preserves service and will provide possible benefits to Minnesota customers, and therefore should be approved.

First, the Transaction plainly will preserve regulated service. No regulated telecommunications service customers or obligations will be transferred to AT&T. And all of Lumen's existing regulated service customers will continue to receive service in the same manner, from the same provider, with the same prices and terms, as they do today.¹² In particular, all existing service and terms will be preserved for the relatively few¹³ Lumen customers that receive regulated service using some of the fiber facilities to be transferred to AT&T.

Second, the Transaction will benefit Minnesota customers because it places Lumen in a stronger position to continue providing regulated service into the future. The proceeds of the \$5.75 billion sale will enable Lumen to repay approximately \$4.8 billion of debt, strengthening its balance sheet and improving cash flow by avoiding approximately \$300 million of annual interest expenses.¹⁴ Cash flow will be further augmented by avoiding approximately \$1 billion of annual capital spending that Lumen would otherwise need for expanding and upgrading the fiber network being sold to AT&T.¹⁵ These actions are "a material milestone in ... delevering the balance sheet," and the Transaction and other matters provide Lumen "with healthy breathing room regarding its

¹² Joint Application at 3. *See In the Matter of A Request for Approval of a Transfer of Control of McLeodUSA Telecommunications Services, Inc. and McLeodUSA Telecom Development, Inc.*, Docket No. P5634, 5323/PA-02-201, Order (Mar. 22, 2022) (adopting Department recommendations, which provided "Rates and services will not change. Petitioners will have the same technical personnel and some of the same management team. Petitioners should be able to continue to possess the technical, managerial, and financial resources necessary to continue providing reliable service to its Minnesota customers. ").

¹³ Approximately [NOT PUBLIC DATA BEGINS ... ████████ ... NOT PUBLIC DATA ENDS].

¹⁴ *See Lumen Sells Mass Markets FTTH Business to AT&T*, <https://lumen-forward.q4ir.com/overview/default.aspx>.

¹⁵ *Id.*

maturity obligations, as the credit will not face another significant maturity until 2028.”¹⁶ All of this has been recognized to be in the public interest.¹⁷ Lumen will be in a stronger and more stable financial position after the Transaction, and therefore better positioned to preserve its regulated service in Minnesota in both the Twin Cities metro and Greater Minnesota.

The OAG focuses its concern on whether plain old telephone service (“POTS”) over passive optical network (“PON”) customers will receive service moving forward.¹⁸ Such concerns are misplaced. Lumen has committed to make service available to such customers.¹⁹ Furthermore, Lumen has developed a menu of alternatives to ensure such customers remain served as long as Lumen has such an obligation.²⁰

Undisputedly, the transaction would benefit Minnesota and Minnesota consumers overall. Fiber deployment has tremendous public benefit, as the federal government,²¹ the State of

¹⁶ Fitch Ratings, *Fitch Places Lumen, Level 3, Qwest IDRs on Positive Watch; Upgrades Level 3’s Second Lien Notes* (July 17, 2025), <https://www.fitchratings.com/research/corporate-finance/fitch-puts-lumen-level-3-qwest-idrs-on-rating-watch-positive-upgrades-level-3-second-lien-notes-17-07-2025>.

¹⁷ *In the Matter of the Application for Authority for Charter Communications, Inc. to Engage in a Reorganization Transaction Under Chapter 11 of the United States Bankruptcy Code and to Emerge from Bankruptcy*, Docket No. P-5535,5615/PA-09-560, Order (July 13, 2009) (adopting Department’s recommendation and comments, which concluded “A reorganized Charter-DIP is in the public interest because it is expected to have a reduced debt-to-equity or leverage ratio, reduced debt interest payments, and positive free cash flow.”).

¹⁸ OAG Comments, 13-16.

¹⁹ See Section IV.C.

²⁰ See Section IV.D. (listing acceptable conditions associated with maintaining such service).

²¹ 47 U.S.C. § 1701(1) (“Access to affordable, reliable, high-speed broadband is essential to full participation in modern life in the United States”).

Minnesota,²² economists,²³ and the Department²⁴ have routinely recognized. For example, the Chair of the Minnesota Governor’s Task Force on Broadband recently reaffirmed the importance of broadband connectivity to the State, recognizing that “[b]roadband connectivity is a cornerstone of Minnesota’s economic prosperity, educational advancement, healthcare delivery, and overall community well-being.”²⁵ The Brattle Group estimates that access to fiber broadband “can generate billions of dollars of economic impact,” increasing median housing values by 14% and median household income by 3%.²⁶ Tellingly, the Department does not dispute that jobs and economic benefits result from fiber deployment; it claims only that the Applicants “are unable to specifically identify any anticipated growth or development.”²⁷

AT&T has made clear its intention to rapidly and broadly expand fiber broadband services in Minnesota following its acquisition of Lumen’s Mass Markets fiber business. In its official announcement of the Transaction, AT&T stated that the transaction will “significantly expand access to AT&T Fiber in major metro areas,” specifically naming Minneapolis-St. Paul. CEO John Stankey emphasized that the acquisition represents “a significant investment in U.S. connectivity

²² Minnesota Governor’s Task Force on Broadband, 2024 Annual Report at 3, https://mn.gov/deed/assets/2024-broadband-task-force-report_tcm1045-664936.pdf (“Broadband connectivity is a cornerstone of Minnesota’s economic prosperity, educational advancement, healthcare delivery, and overall community well-being.”).

²³ The Brattle Group, *Economic Benefits of Fiber Deployment* at 1 (Nov. 20, 2024) (“Investing in fiber is not just a technological upgrade; it is a strategic move that underpins long-term productivity and economic growth in the United States. The importance of high-quality broadband is beyond doubt, and the highest quality broadband is delivered over fiber optic cables.”), <https://www.brattle.com/wp-content/uploads/2024/11/Economic-Benefits-of-Fiber-Deployment.pdf>.

²⁴ Blandon Foundation, *Governor Mark Dayton Names 15 to Task Force on Broadband* (““For the short- and long-term success of our economy, every school, business, and consumer in Minnesota must have affordable, high-speed access to information and the online marketplace,” said Commerce Commissioner Mike Rothman.”), <https://blandinfofoundation.org/news-room/news-items/governor-mark-dayton-names-15-to-task-force-on-broadband/>.

²⁵ Minnesota Governor’s Task Force on Broadband, 2024 Annual Report at 3, https://mn.gov/deed/assets/2024-broadband-task-force-report_tcm1045-664936.pdf.

²⁶ The Brattle Group, *Economic Benefits of Fiber Deployment* at 13, 14, 15 (Nov. 20, 2024), <https://www.brattle.com/wp-content/uploads/2024/11/Economic-Benefits-of-Fiber-Deployment.pdf> (estimates based on areas where there was only non-fiber before).

²⁷ Department Comments at 6.

infrastructure” and will help AT&T “roughly double where AT&T Fiber is available by the end of 2030”,²⁸ up from a little more than 30 million today.

Adding the Lumen Mass Markets fiber internet connectivity business will immediately increase the total to 34 million locations,²⁹ but it will be through the combination of Lumen’s Mass Markets fiber assets and construction capabilities and AT&T’s significant financial resources, technical and managerial expertise, and experience from successfully operating the nation’s largest consumer fiber business that AT&T will expand its fiber network across the country to pass approximately 60 million locations by 2030.³⁰

AT&T has the intent and capability for ensuring that this fiber expansion will include Minnesota. The Transaction includes approximately 4 million fiber-passed locations and nearly 1 million subscribers, many of whom are located in Minnesota, and AT&T plans to transition these customers to its fiber platform over time.³¹ At the end of 2024, Lumen’s Mass Markets fiber assets passed approximately [NOT PUBLIC DATA BEGINS ... ██████ ... NOT PUBLIC DATA ENDS] locations in Minnesota in approximately [NOT PUBLIC DATA BEGINS ... ██████ ... NOT PUBLIC DATA ENDS] different municipalities involving [NOT PUBLIC DATA BEGINS ... ██████ ... NOT PUBLIC DATA ENDS] wire centers. By the end of 2025, that number of locations passed in Minnesota is expected to grow to approximately [NOT PUBLIC DATA

²⁸ [AT&T to Acquire Lumen’s Mass Markets Fiber Business](#); [Lumen - Lumen Technologies Advances Enterprise Market Focus with Sale of Consumer Fiber-to-the-Home Business to AT&T](#)

²⁹ John Stankey AT&T-Lumen Transaction Video Transcript, <https://investors.att.com/~media/Files/A/ATT-IR-V2/documents/Chairman%20%20CEO%20Video%20Transcript.pdf> (last visited June 30, 2025); [AT&T Expands Nation’s Largest Fiber Network, Now Reaching More than 30 Million Fiber Locations](#) (June 10, 2025), <https://about.att.com/story/2025/30-million-fiber-locations.html>.

³⁰ John Stankey AT&T-Lumen Transaction Video Transcript, <https://investors.att.com/~media/Files/A/ATT-IR-V2/documents/Chairman%20%20CEO%20Video%20Transcript.pdf> (last visited June 30, 2025).

³¹ [AT&T to Acquire Lumen’s Mass Markets Fiber Business](#); [Lumen - Lumen Technologies Advances Enterprise Market Focus with Sale of Consumer Fiber-to-the-Home Business to AT&T](#)

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AT&T has the financial capacity and strategic imperative to invest in fiber deployment to execute its build plans, with annual revenues exceeding \$120 billion in 2024 and projected annual capital expenditures exceeding \$22 billion.³³ Its leadership team has consistently executed large-scale network deployments, integrating fiber with its 5G capabilities to offer converged connectivity. This strategic focus, combined with operational efficiencies and a growing fiber subscriber base—over 9.3 million fiber customers as of 2024—demonstrates AT&T’s aptitude to scale high-speed, reliable internet to millions of homes nationwide.³⁴

AT&T also is investing in the people and regulatory permitting required to meet its objectives. Specifically, Forged Fiber 37, LLC will make offers to hire select Lumen employees currently responsible for Lumen’s Mass Market fiber deployment and operations, including Minnesota employees, and hire additional employees to expand its fiber business. These job offers

³² Seeking economic deployment both nationally and in Minnesota is consistent with Minnesota state policy, despite to the Department’s assertions to the contrary. *Compare* Minn. Stat. § 237.011 (“The following are state goals that should be considered as the commission executes its regulatory duties with respect to telecommunication services: ... (3) encouraging economically efficient deployment of infrastructure for higher speed telecommunication services and greater capacity for voice, video, and data transmission;...”.) with Department Comments at 6 (“But AT&T privately admits it has no immediate or definite plans to make such deployments in Minnesota. Instead, AT&T is focused on deploying broadband where it is nationally most economically efficient.”).

³³ Refinitive Streetevents, *Edited Transcript: AT&T Inc at Bank of America Media, Communications & Entertainment Conference* at 3 (Sept. 4, 2025) (“Just as a reminder, in the second quarter with the passage of the One Big Beautiful Bill, we announced that we plan to spend more capital --we were -- our previous guidance was that we were going to spend \$22 billion, around \$22 billion annually. With the One Big Beautiful Bill, we’ve increased that to between \$23 billion and \$24 billion. And that was principally because of incremental fiber locations.”), <https://investors.att.com/~media/Files/A/ATT-IR-V2/financial-reports/t-usq-transcript-2025-09-04.pdf>.

³⁴ [Why Invest | AT&T](#).

will be comparable to those enjoyed by similar AT&T employees, including excellent wages (a wage increase for most employees), a signing bonus ranging from \$5,000 to \$15,000 based on years of services, and comprehensive healthcare benefits. Further, Lumen employees accepting such offers will enjoy recognition of their Lumen years of service for purposes of seniority with Forged Fiber 37, LLC. The specific terms were disclosed to CWA, which supports the Commission's approval of the Transaction.³⁵ AT&T also has initiated a process to secure right-of-way access across the Transaction footprint, including in over 100 Minnesota jurisdictions. All of this positions AT&T to continue aggressive fiber deployment in Minnesota (and other states) and therefore unlock broadband-related benefits.

The Transaction clearly preserves Lumen's regulated service in Minnesota. In fact, it puts Lumen in a much better financial position to continue that service into the future. And the Transaction will result in continuation and acceleration of fiber deployment in Minnesota, unlocking the universally acknowledged benefits of broadband deployment for Minnesota customers. The Transaction therefore is in the public interest and should be approved.

IV. LUMEN LEGACY SERVICE ISSUES

The Department questions Lumen's ability to deliver service to its remaining voice customers or to comply with the Commission's prior order in the Service Quality Docket,³⁶ which requires Qwest Corporation dba CenturyLink QC to take certain remedial measures to address service quality issues. In reviewing these concerns, it is critical to understand that this Transaction is not a transfer of control of Lumen's ILECs in Minnesota, but rather a sale of portions of Lumen's

³⁵ CWA Reply Comments at 1.

³⁶ *In the Matter of a Formal Complaint Regarding the Services Provided by the Qwest Corporation d/b/a CenturyLink in Minnesota, on Behalf of the Communications Workers of America*, MPUC Docket No. P-421/C-20-412 (the "Service Quality Docket").

fiber network. The rest of Lumen's fiber network and all of its copper infrastructure will remain with Lumen. Lumen has made clear in the Joint Application and reiterates here that it acknowledges its ongoing obligation to provide service and to comply with the Commission's Order in the Service Quality Docket after this transaction. That obligation includes providing service to its [NOT PUBLIC DATA BEGINS ... ██████ ... NOT PUBLIC DATA ENDS] POTS over PON customers. And this transaction will only enhance Lumen's financial position and its technician availability to focus on its voice and data services served via copper.

A. This transaction strengthens Lumen's financial position.

The Department speculated that this transaction will leave Lumen in a weakened financial position resulting in an inability to provide voice service in Minnesota.³⁷ The facts of this Transaction demonstrate the opposite. As discussed above, Lumen will receive \$5.75 billion as a result of this Transaction. Those funds will reduce company debt by \$4.8 billion and increase annual cash flow by approximately \$1.3 billion.³⁸ The Commission has previously recognized that transactions that reduce a company's debt and increase its cash flow serve the public interest.³⁹

In addition to this large infusion from the sale, Lumen will continue to generate the vast majority of its existing revenue as it does today. Revenue derived from Lumen's consumer fiber business—the business being conveyed to AT&T—represents only a small portion of Lumen's total revenue. In 2024, Lumen's total revenue was \$13.1 billion, while its nationwide consumer

³⁷ See Department Comments at 7-9.

³⁸ Lumen Technologies, Inc., *Lumen Technologies Sale of Consumer Fiber-to-the-Home Business to AT&T* at 7 (May 21, 2025), https://s206.q4cdn.com/589875311/files/doc_downloads/2025/Lumen_ATT_Investor-Overview.pdf.

³⁹ *In the Matter of the Application for Authority for Charter Communications, Inc. to Engage in a Reorganization Transaction Under Chapter 11 of the United States Bankruptcy Code and to Emerge from Bankruptcy*, Docket No. P5535,5615/PA-09-560, Order (July 13, 2009) (adopting Department Comments noting that debt reduction and increased cashflow can serve the public interest).

fiber broadband revenue was \$736 million, or 5.6% of Lumen’s total revenue.⁴⁰ Approximately 95% of those fiber assets will transfer at closing.⁴¹ Thus, this Transaction will involve only about 5% of Lumen’s revenue—boosting Lumen’s financial strength, yet leaving the vast majority of its total revenues untouched.

Furthermore, post-Transaction, Lumen will continue to have the resources necessary to maintain and repair its copper plant. As stated earlier, Lumen expects to improve its cash flow by \$1.3 billion annually. [NOT PUBLIC DATA BEGINS ...

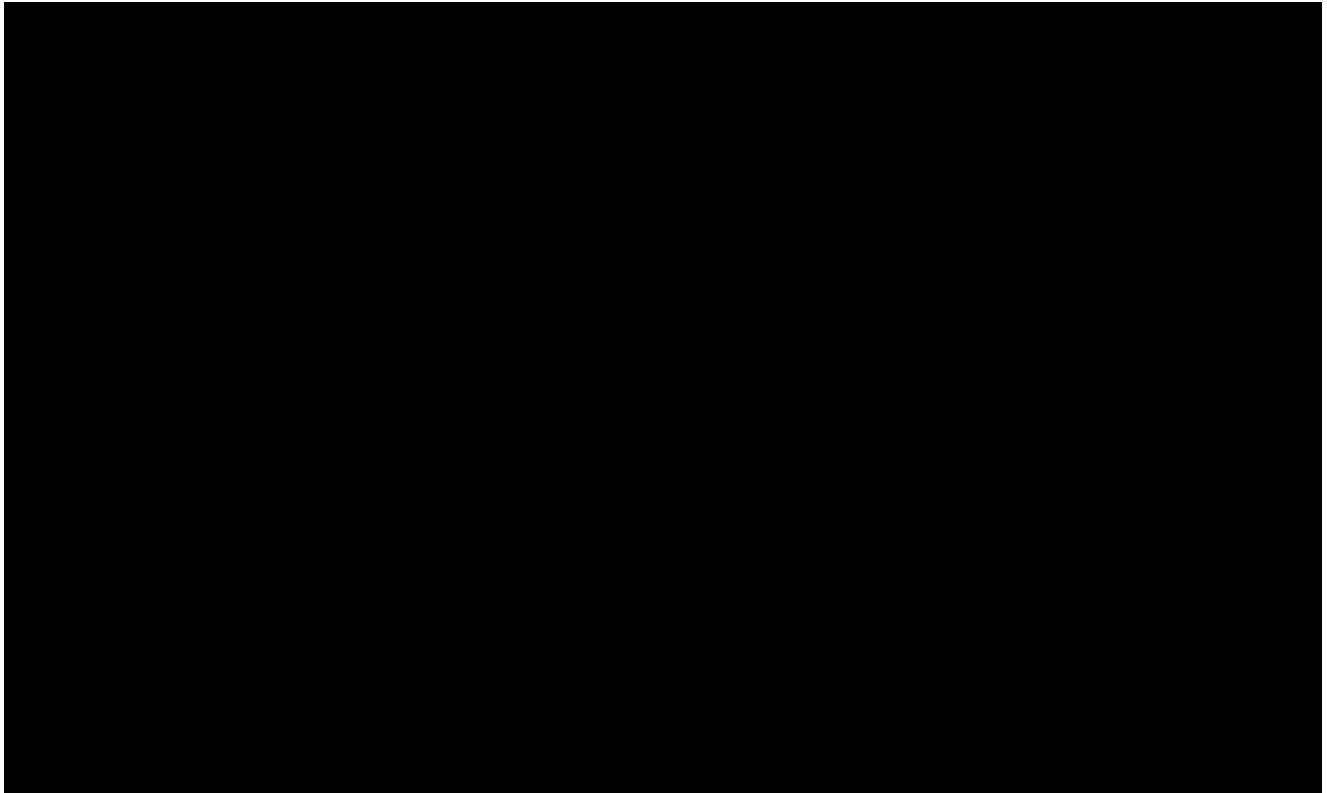
[REDACTED]

[REDACTED]

[REDACTED]

⁴⁰ Lumen Technologies, Inc., Form 10-K at 88-89 (Feb. 20, 2025).

⁴¹ Lumen Technologies, Inc., *Lumen Technologies Advances Enterprise Market Focus with Sale of Consumer Fiber-to-the-Home Business to AT&T* Lumen Technologies Advances Enterprise Market Focus with Sale of Consumer Fiber-to-the-Home Business to AT&T (May 21, 2025), <https://ir.lumen.com/news/news-details/2025/Lumen-Technologies-Advances-Enterprise-Market-Focus-with-Sale-of-Consumer-Fiber-to-the-Home-Business-to-ATT/default.aspx>.



[REDACTED]

[REDACTED] ...NOT PUBLIC DATA
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B. Lumen will have more technician time available to address its copper network than it does today.

Lumen will also have sufficient technician workforce after the Transaction closes. While Lumen and AT&T continue to finalize which employees will be offered positions with AT&T, Lumen expects to have ample technicians available post-sale. In Minnesota, Lumen expects this Transaction to transfer approximately [NOT PUBLIC DATA BEGINS ... [REDACTED]

[REDACTED]

⁴² The Department cites an affidavit from a different Commission proceeding suggesting, via a hearsay statement, that Lumen will lack sufficient POTS customer revenue to maintain its legacy network. Department Comments at 8-9. In the face of firsthand company financial records, this sort of unsubstantiated hearsay statement could not create a material dispute of fact regarding Lumen's financial position.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]... NOT PUBLIC DATA ENDS]. Moreover, a simple technician count may not fully capture efficiencies available by having technicians focus on a narrower range of plant. This effect is likely to continue given that voice lines are declining at a significant rate, and copper-based broadband is declining more quickly as fiber and improved wireless broadband services become available.

C. Lumen will continue to serve POTS over PON Customers

OAG contends that Lumen will continue to provide service to POTS over PON customers for only three years, suggesting those customers may be left without service in the future.⁴³ First, Lumen acknowledges that it has a continuing legal obligation to provide voice service, which could extend longer than three years. Lumen will fulfill its obligations, and has several alternatives available to serve voice customers who wish to remain Lumen customers. One option is a new wireless home phone product known as Air-Line that uses cellular networks or an ethernet connection to provide a home dial tone (AT&T also offers such a device in its ILEC service territory, as do other ILECs). In some cases, if appropriate and in the extremely rare event a customer requests voice service over copper, Lumen may be able to rely on existing copper or re-deploy copper to a current customer. Lumen could also rely on connectivity services from another broadband provider, including Forged Fiber 37, LLC, at the customer's premises to provide over-

⁴³ OAG Comments at 4.

the-top voice service.⁴⁴ In any case, Lumen stands ready to fulfill applicable regulatory obligations. Lumen will be coordinating with customers to ensure that anyone who currently subscribes to POTS over PON service in Minnesota will continue to have access to a reliable voice service.

D. Lumen will staff call centers consistent with customer demand.

The Department raises concerns about Lumen's staffing of customer service representatives post-Transaction. Lumen will clearly have less need for customer service representatives after a significant percentage of its consumer business moves to AT&T. Lumen provided the Department with its current plans for staffing in light of the anticipated reduction in customer call volume.⁴⁵ Call center staffing, however, is a dynamic process that is constantly adjusting as demand for such representatives adjusts. If Lumen's estimates on call center volume are off, Lumen will adjust just as it does today.

E. Lumen is willing to take measures to ensure it meets its obligations.

The concerns raised by parties related to Lumen's obligations and willingness to meet service obligations to its Minnesota voice customers are adequately addressed without the Commission imposing any conditions on its approval of the Transaction.⁴⁶ Nonetheless, because of the concerns raised in this docket, Lumen provides with these comments a series of commitments it is willing to make if this Transaction is approved. These commitments

⁴⁴ As discussed below, Lumen has included a condition regarding service to POTS over PON customers should the Commission determine such a commitment is necessary.

⁴⁵ Hundal Decl. ¶ 7, Ex. G-2 (DOC Request 008).

⁴⁶ See Order Approving Settlement in Qwest to CenturyLink Transfer of Control (<https://efiling.web.commerce.state.mn.us/documents/%7B10FC0532-2595-4201-98B1-9C012F802679%7D/download?contentSequence=0&rowIndex=8>) ("The Department's additional provisions are not required to make this settlement agreement consistent with the public interest. The Commission is persuaded that existing safeguards established in prior orders are sufficient to provide CenturyLink with the incentive to provide OSS services promptly and diligently. As the parties observed, existing Performance Assurance Plans impose a 20 second standard for answering repair calls, and Merger Agreements require CenturyLink to maintain existing service quality performance. The fact that no one opposes the settlement agreement – including CLECs receiving no financial compensation under this settlement agreement – bolsters the conclusion that the agreement serves the public interest.")

meaningfully address the concerns that have been raised in this docket, and include commitments related to: (1) having enough technicians and budget to operate the network; (2) taking measures to address concerns about POTS facility repair, rehabilitation and replacement; (3) customer service concerns; (4) ensuring continuing service for POTS over PON customers, and (5) addressing rate concerns. Lumen would be willing to support the commitments identified in **Attachment A** if the Commission deems them necessary to address any lingering concerns.

V. COLR STATUTE

The Minnesota Legislature recently enacted Minn. Stat. § 237.181, creating an orderly process for telephone companies to request Commission approval to discontinue the provision of telecommunications services.⁴⁷ This process requires a telephone company to file a petition with the Commission requesting approval to discontinue telecommunications services in certain areas. Once filed, the petition is to be reviewed by the Commission under a notice and comment process. When reviewing the petition, the Commission must evaluate whether an “alternative provider” is available to the impacted customers.

In its comments, the OAG contends that the Transaction is somehow an “end-run” around this process as it relates to a relatively small number, approximately [NOT PUBLIC DATA BEINGS ... █████ ... NOT PUBLIC DATA ENDS], of Lumen POTS over PON customers.⁴⁸ That is not the case. Neither Lumen’s existing regulatory obligations nor the operation of Minn. Stat. § 237.181 are modified by this Transaction. Should Lumen seek to initiate a customer transition plan to discontinue telecommunications service to these approximately [NOT PUBLIC DATA BEINGS ... █████ ... NOT PUBLIC DATA ENDS] POTS over PON customers – all

⁴⁷ Laws of Minnesota 2025, 1st Spec. Sess. chapter 4, article 7, section 17 to be codified as Minn. Stat. § 237.181.

⁴⁸ Joint Application at 7.

of whom have the ability to receive service from more than one fixed facilities-based alternative service provider and more than one mobile provider – it will do so consistent with applicable law. Importantly, the process would be entirely separate from the instant proceeding.

The OAG contends that “[i]nstead of forcing the Commission’s hand” Lumen “need[s] to follow the process the legislature created”.⁴⁹ In fact, Lumen has assured the OAG that it will “comply with all applicable legal and regulatory requirements”. Minn. Stat. § 237.181 is one of these legal requirements. In summary, Lumen made assurances that it will follow the process established by Minn. Stat. § 237.181. These assurances should not “ring hollow,” as they are required by law, and Lumen is reaffirming its commitment to them here should Lumen decide in the future to seek permission to discontinue regulated service to these customers.⁵⁰

The OAG posits that the future expiration of the Fiber Connectivity Service Agreement between AT&T and Lumen would allow Lumen to discontinue telecommunications service without following the process set forth in the statute,⁵¹ and could “maroon” POTS customers following expiration of the agreement.⁵² At this point, the OAG claims, the Commission’s “hands would be tied” by Lumen’s inability to provide service.⁵³ That is incorrect. As discussed above, Lumen may be relieved of its obligations to provide telecommunications services only upon receiving the requisite approval. The Commission’s authority cannot be superseded by the expiration of a contractual agreement.

⁴⁹ OAG Comments at 19.

⁵⁰ OAG Comments at 15.

⁵¹ OAG Comments at 19.

⁵² OAG Comments at 7.

⁵³ OAG Comments at 19.

In a similar vein, OAG has misapprehension about Lumen relying on AT&T fiber connectivity in support of Lumen's POTS over PON customers, but this is misplaced.⁵⁴ It is common practice in the telecommunications industry for a telephone company to contract with another provider for the use of facilities necessary to provide telecommunications services to their customers. Further, AT&T has agreed to offer Lumen fiber connectivity to provide services to these customers *for at least three years*:⁵⁵ it is possible connectivity could be extended for longer.

In summary, the Transaction is not and cannot be an "end-run" around the Commission's authority established by the Minnesota Legislature in Minn. Stat. § 237.181. The Commission's full authority over Lumen's POTS service will remain after this Transaction, as will its authority to ensure that affected customers have available alternative providers before granting Lumen relief from carrier of last resort obligations.

VI. CONTESTED CASE

The Department suggests the Commission may want to order a contested case proceeding.⁵⁶ The Department has not identified any contested material facts that require record development to aid the Commission in making its decision,⁵⁷ or done anything more than "raise questions or pose alternatives without [a] showing that evidence can be produced which is contrary to the [Joint Application]."⁵⁸ Without more, a contested case is not appropriate, particularly since

⁵⁴ OAG Comments at 14-15 ("Lumen and AT&T are working on an agreement whereby Lumen will utilize capacity or fibers from AT&T on the F2 fiber distribution plant enabling CenturyLink to continue to provide the POTS dial tone.' . . . But again, the agreement would only be in place for three years. This is concerning because it puts an end date on the control and use of the equipment required to provide POTS over.").

⁵⁵ Joint Application at 8.

⁵⁶ Department Comments at 14-15 ("In the alternative, if the Commission concludes that "all significant issues have not been resolved to its satisfaction," it could refer this matter to the court of administrative hearings for a contested-case proceeding.").

⁵⁷ *In re N. States Power Co.*, 676 N.W.2d 326, 335 (Minn. App. 2004). The OAG's issues regarding Minn. Stat. § 237.181 clearly are legal issues that need not be referred to the Court of Administrative hearings.

⁵⁸ *Amend. No. 4 to Air Emission Facility Permit No. 2021-85-OT-1, Matter of*, 454 N.W.2d 427, 430 (Minn. 1990).

unwarranted delay will only reduce the chances of unlocking the benefits of fiber deployment, discussed above. The Commission has a sound basis to conclude the Transaction is in the public interest without additional proceedings.

VII. CONCLUSION

The Applicants respectfully submit that the Transaction does not involve the transfer of service or service providers regulated by the State of Minnesota, and in any event will further the public interest. Accordingly, the Applicants respectfully request that the Commission (1) determine no approval of the Transaction is required; or (2) promptly approve the Transaction, waive public notice and hearing on the Joint Application and any other formal filing requirements, and grant such other relief as the Commission deems necessary and appropriate.

[Signature Page Follows]

Dated: October 3, 2025

By: /s/
Ryan P. Barlow
Patrick T. Zomer
Katherine J. Marshall
Moss & Barnett P.A.
150 South 5th Street, Suite 1200
Minneapolis, MN 55402
Telephone: (612) 877-5268
Ryan.Barlow@lawmoss.com
Pat.Zomer@lawmoss.com
Katie.Marshall@lawmoss.com

Counsel to Forged Fiber 37, LLC

And

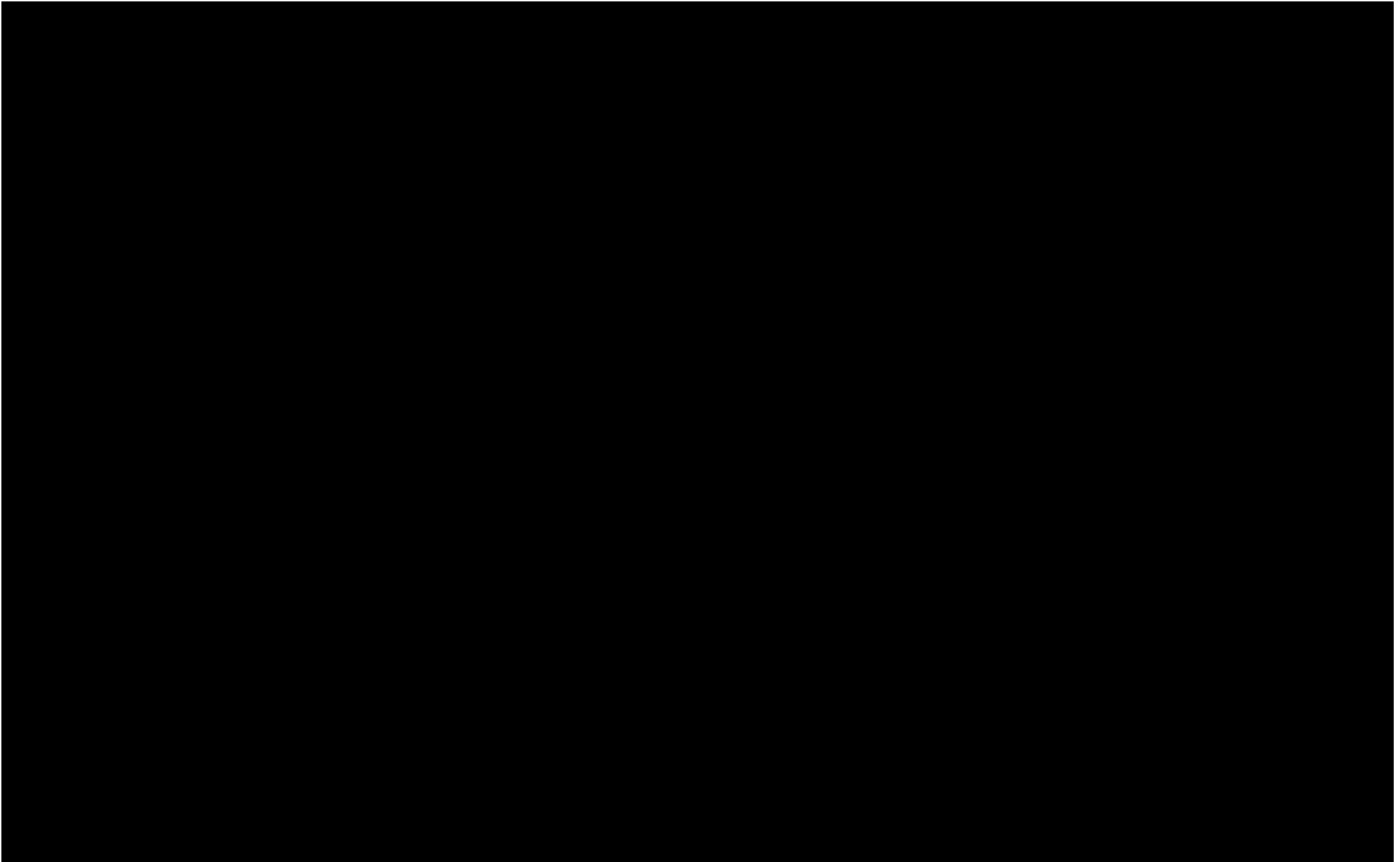
By: /s/
Jason D. Topp
Assistant General Counsel
200 South 5th Street, Room 2200
Minneapolis, MN 55402 (651) 312-5364
Jason.topp@lumen.com

Eric F. Swanson
Elizabeth H. Schmiesing
Winthrop & Weinstine, P.A.
225 South Sixth Street,
Suite 3500
Minneapolis, MN 55402
eswanson@winthrop.com
eschmiesing@winthrop.com

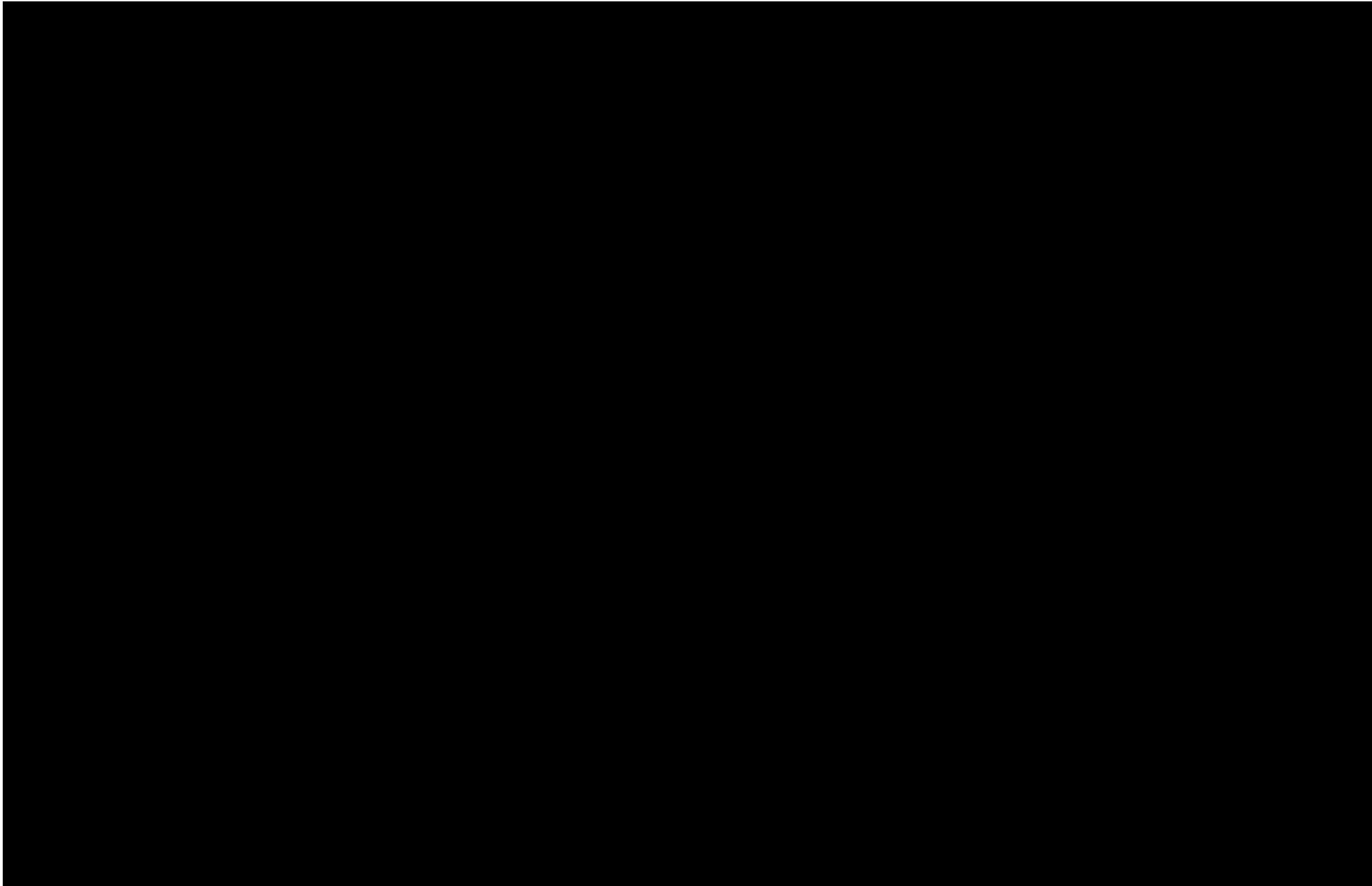
Counsel to Lumen

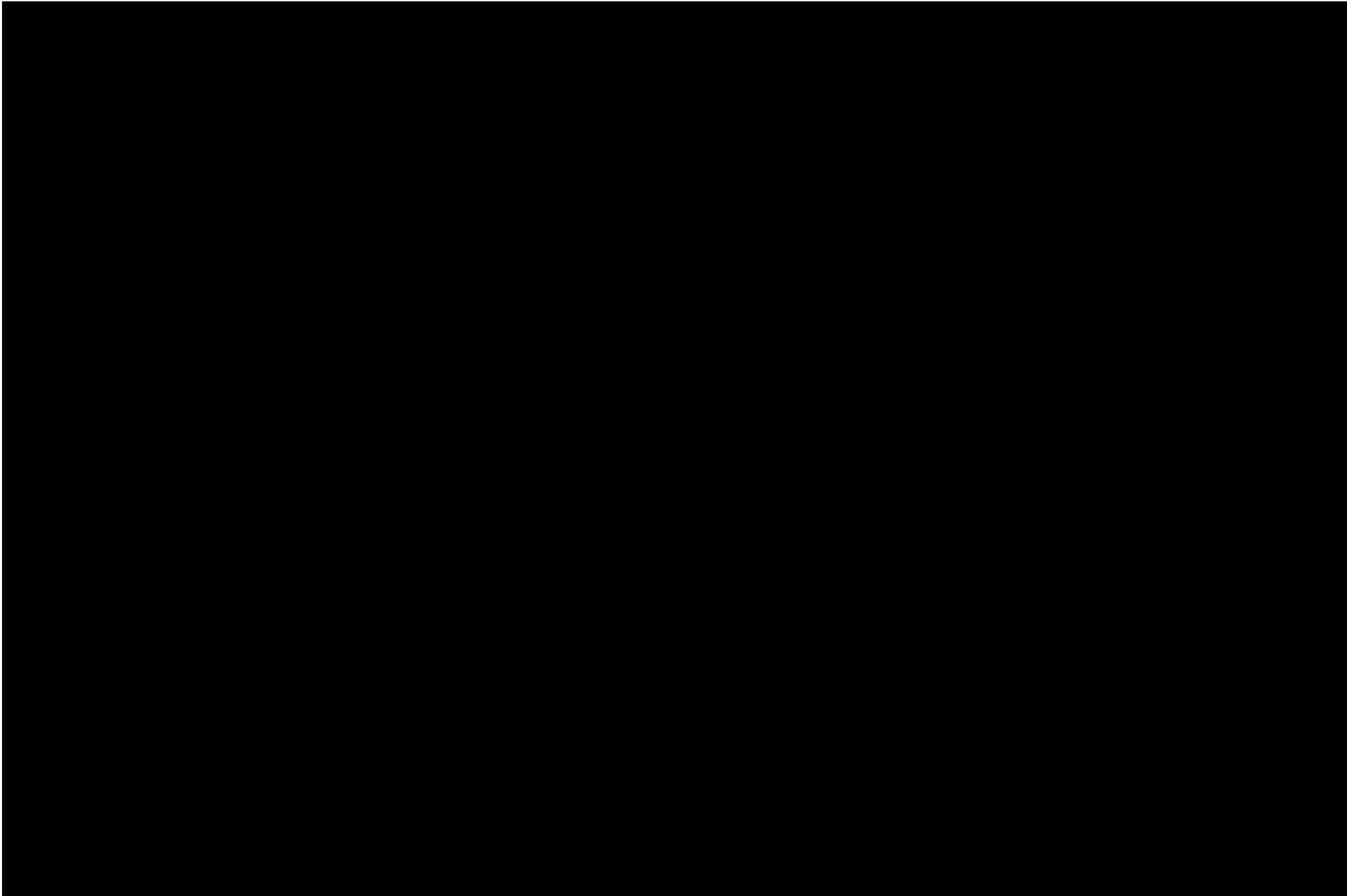
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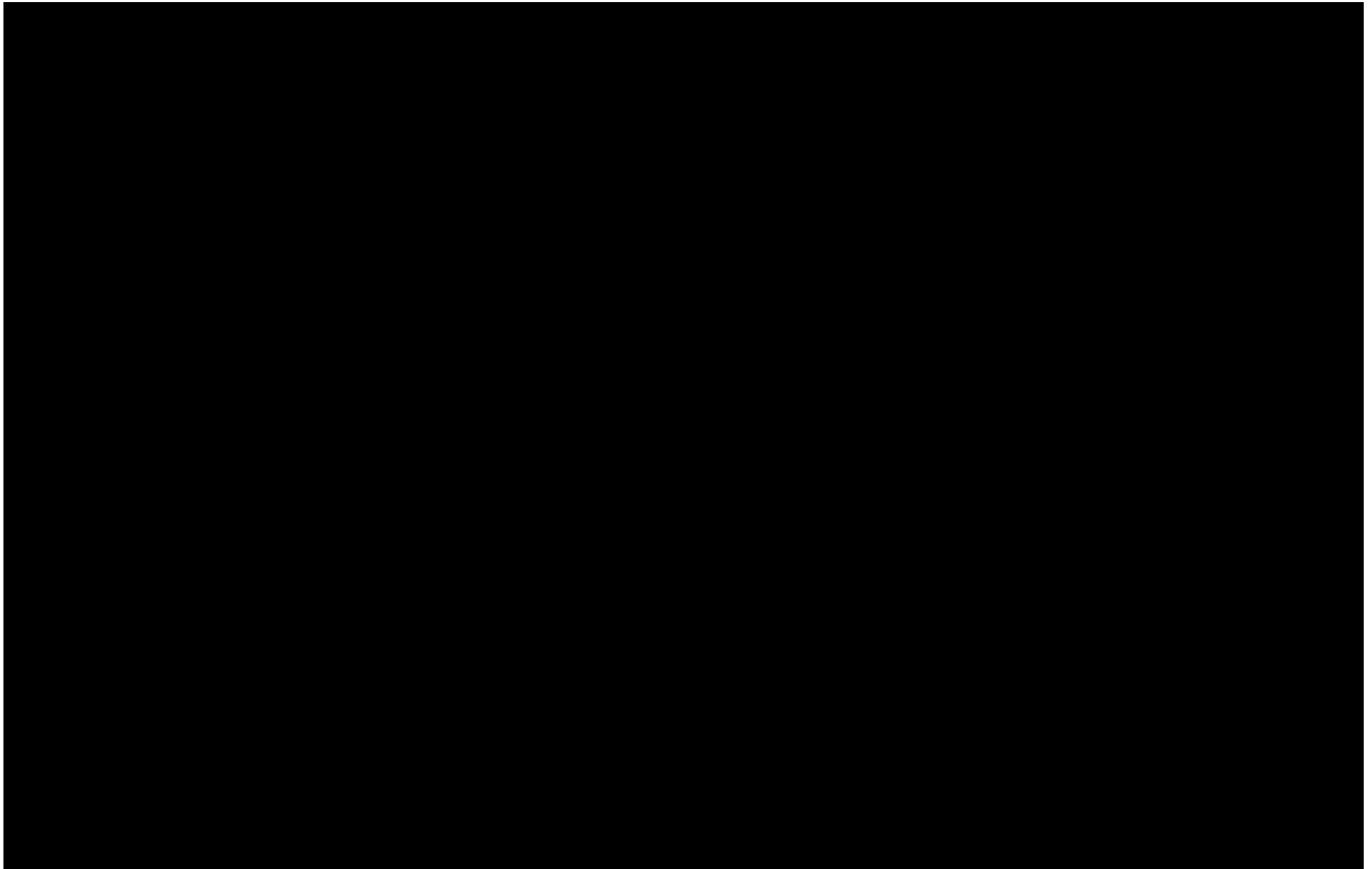


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