

Jason D. Topp Assistant General Counsel (651) 312-5364

October 21, 2020

Mr. Will Seuffert Executive Secretary Minnesota Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, MN 55101

Re: In the Matter of the Application of CenturyLink for Expedited Approval to Discontinue Physical Connection with KTF Telcom Inc. Docket No. P-6312, 421/IC-20-522

Dear Mr. Seuffert:

Enclosed for filing are CenturyLink's Comments regarding the above-referenced matter.

Very truly yours,

/s/ Jason D. Topp

Jason D. Topp

JDT/bardm

Enclosures

cc: Service List

## PUBLIC DOCUMENT NOT PUBLIC (OR PRIVILEGED) DATA HAS BEEN EXCISED

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## STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben Valerie Means Matt Schuerger Joseph K. Sullivan John Tuma

- Chair Commissioner Commissioner Commissioner
- Re: In the Matter of the Application of CenturyLink for Expedited Approval to Discontinue Physical Connection with KTF Telcom Inc. Docket No. P-6312, 421/IC-20-522

## CERTIFICATE OF SERVICE

Dianne Barthel hereby certifies that on the 21st day of October, 2020, she e-filed a true and correct copy of the annexed filing by posting it on <u>www.edockets.state.mn.us</u>. Said document was also served on the service list via e-mail as designated with the Minnesota Public Utilities Commission.

/s/ Dianne Barthel Dianne Barthel

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Linda	Chavez	linda.chavez@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 55101-2198	Electronic Service	No	OFF_SL_20-522_IC-20- 522
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.st ate.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-522_IC-20- 522
Adam	King	dialupmaster@youbetnet.n et	KTF Telcom Inc	449 W Forest Ave Mora, MN 55051	Electronic Service	Yes	OFF_SL_20-522_IC-20- 522
Generic Notice	Residential Utilities Division	residential.utilities@ag.stat e.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_20-522_IC-20- 522
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-522_IC-20- 522
Jason	Торр	jason.topp@lumen.com	CenturyLink	200 S 5th St Ste 2200 Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_20-522_IC-20- 522

## NOT PUBLIC/PRIVILEGED INFORMATION CLASSIFICATION RATIONALE

## State: Minnesota

## Description/Title of Information: In the Matter of the Application of CenturyLink for Expedited Approval to Discontinue Physical Connection with KTF Telcom Inc. MPUC Docket No. P-6312, 421/IC-20-522

**Rationale:** CenturyLink's Comments contain information that is considered Not Public because (1) CenturyLink makes reasonable efforts to ensure its privacy, (2) the data derives actual or potential independent economic value because the information is not generally known to, and not being readily ascertainable by proper means by, other person who can obtain value from its disclosure or use and (3) the data contains confidential customer information. For this reason, CenturyLink's Comments should be protected from public disclosure.

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

Katie Sieben Valerie Means Matthew Schuerger Joseph K. Sullivan John Tuma Chair Commissioner Commissioner Commissioner

## In the Matter of the Application of CenturyLink for Expedited Approval to Discontinue Physical Connection with KTF Telcom Inc.

#### Docket No. P-6312, 421/IC-20-522

#### **CENTURYLINK'S COMMENTS**

Qwest Corporation dba CenturyLink QC ("CenturyLink") files these comments in response to the Department of Commerce's ("Department") letter filed with the Commission on October 14, 2020.<sup>1</sup> In that letter, the Department takes an extraordinary position–that in order for the Commission to find that disconnection is appropriate, CenturyLink should be required to identify the location of every KTF customer and ensure that each customer has access to the "full range of retail services currently offered by KTF."<sup>2</sup> The Department further opines that CenturyLink should be obligated to somehow determine what services KTF provides, create similar products and offer them to KTF's customers. CenturyLink's alternative, according to the Department, is to continue to provide service to KTF without payment.

The Department's advocacy is even more extraordinary because the services provided to end users are broadband services not regulated by the Commission. The simple fact of the matter is that KTF owes CenturyLink over \$230,000 for services (\$70,000 more than the amount owed at the time CenturyLink filed this petition) and the amount is growing each month.

<sup>&</sup>lt;sup>1</sup> Department's Letter to Commission from Richard Dornfeld filed October 14, 2020 in this docket ("Department Letter").

<sup>&</sup>lt;sup>2</sup> Department Letter, 2.

CenturyLink should be entitled to disconnect KTF and should not be required to provide broadband services to customers it technically cannot serve before doing so.

## I. The Department proposes that the Commission either order CenturyLink to provide service without compensation or provide extremely slow broadband service to KTF customers. The Commission does not have the authority to order either alternative.

The two options the Department suggests that the Commission order are either to (1) provide service to KTF without any expectation of being paid for service or (2) offer broadband services to KTF's customers, even if CenturyLink does not do so today. Both suggestions are unsupported in law.

The Department cites no authority for this recommendation, other than the statute requiring that the Department "investigate and ascertain whether public convenience requires the continuance of the physical connection."<sup>3</sup> The Department does not explain or analyze how nonpayment affects "public convenience" and it cites no instance where the Commission has required a connection to continue without payment. It similarly cites no precedent for the Commission to order CenturyLink to offer broadband services to customers that do not qualify for service. Minnesota statutes do not impose an obligation to serve broadband customers.

## II. The Public Convenience Standard was designed to maintain voice connections between neighboring phone companies, not to maintain connections to a company for another purpose, particularly when that company does not pay for service and apparently wants to exit the business.

The statutory standard is whether "public convenience requires the continuance of the physical connection."<sup>4</sup> The statutory language is old and has a long history:

<sup>&</sup>lt;sup>3</sup> Minn. Stat. § 237.74, Subd. 9.

<sup>&</sup>lt;sup>4</sup> Department Letter, 1.

Considering § 237.12 first, we observe that it was initially enacted in 1915. The legislature's interest at that time was plain it sought to ensure that the existence of numerous small, independent telephone companies would not hamper the flow of communications between the customers of different companies.[5] The statute accomplishes its purposes by virtually requiring that any requested connection be allowed, and making it difficult to effect any disconnection thereafter. Accordingly, we conclude that the statute must be construed to affect only those connections and disconnections which would substantially alter the flow of communications between neighboring telephone systems.<sup>5</sup>

Here, there is no flow of voice communications between neighboring telephone systems at issue.

The provider at issue, KTF, has indicated it wants to exit the business, has failed to pay bills and

appears to have falsified receipts to show it made payment.<sup>6</sup> The Department's

recommendations amount to an endorsement of such practices. The statute was not designed to

ensure a continued flow of communications when a provider fails to pay its bills.

# **III.** KTF has the responsibility to notify its customers of the pending disconnection and to provide them with information to find alternative service providers.

The interconnection agreement mandates that KTF, not CenturyLink, has the obligation

to notify customers so they can make other arrangements:

5.4.9 Each Party shall be responsible for notifying its End User Customers of any pending disconnection of a non-paid service by the billed Party, if necessary, to allow those Customers to make other arrangements for such non-paid services

The Department ignores this obligation entirely when making its recommendation to the

Commission. Any order mandating disconnection should require KTF, and not CenturyLink, to

notify customers so they are able to make other arrangements.

<sup>&</sup>lt;sup>5</sup> Arvig Tel. Co. v. Northwestern Bell Tel. Co., 270 N.W.2d 111, 115 (Minn. 1978). Very similar language was incorporated into Minn. Stat. § 237.74, Subd. 9.

<sup>&</sup>lt;sup>6</sup> See CenturyLink Petition filed June 5, 2020 in this docket, Ex. 5 (showing non-payment and repeated claims that payment had been made when CenturyLink records do not show receipt).

IV. Every single KTF customer appears to have broadband service available to it at speeds higher than CenturyLink's basic speed from satellite, fixed wireless and mobile wireless providers. Most will have service available from CenturyLink and many have service available from other wireline providers.

The Department provides misleading and confusing commentary regarding information CenturyLink produced regarding the availability of broadband services.<sup>7</sup> This is not a case where voice service is an issue. In all cases, CenturyLink offers voice service to KTF customers assuming they are in CenturyLink's service territory.

In most cases, CenturyLink also offers broadband. For the approximately ninety customers that receive resold service, KTF is selling CenturyLink service now. For other customers, CenturyLink offers broadband to a large majority of households in each wire center:

## [Not Public Data Begins

# Not Public Data Ends]

Even if a customer does not have service available from CenturyLink, the Minnesota Department of Economic Development lists ample providers in the area, many of which appear to cover the entire area.<sup>8</sup>

County	Number of	Technologies
	Providers	
Kanabec	15	Mobile, fiber, DSL, satellite, fixed wireless, cable
Pine	15	Mobile, fiber, DSL, satellite, fixed wireless, cable
Chisago	15	Mobile, fiber, DSL, satellite, fixed wireless, cable

<sup>&</sup>lt;sup>7</sup> The Department notes that service availability in rural areas can differ significantly based on whether a customer is located "in town" versus a more remote area. The Department finds that this county-by-county list has only limited value because it does not demonstrate that alternative providers are able to provide service to retail locations currently served by KTF over CenturyLink's network.

<sup>&</sup>lt;sup>8</sup> See <u>https://mn.gov/deed/assets/providers-county\_tcm1045-190762.pdf</u>.

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The Department suggests that there could be flaws in the list because coverage may not exist in rural areas or the provider may not have registered as a telecommunications carrier in Minnesota. This analysis is deeply misleading. The registration issue has no bearing on broadband availability. Broadband providers that do not offer landline telephone service have no need to seek a certificate of authority from the Commission.

The Department's suggestion that broadband coverage may not be available to some customers also conflicts with data provided by the state. The "broadband" service at issue would involve download speeds of lower than 256 kilobits per second ("Kbps").<sup>9</sup> Such speeds are so low they do not qualify for federal funding. Ample alternatives exist at greater speeds to every customer in the wire centers that KTF serves.

Satellite service is available wherever it is possible to have line of sight between the property and the satellite. In other words–everywhere. Such providers offer download speeds in excess of 25 megabits per second ("Mbps").<sup>10</sup> In other words, satellite broadband is one hundred times faster than CenturyLink's slowest speed.

Mobile wireless carriers also cover these counties. The Commission recognized as such when it approved CenturyLink's petition for competitive market regulation in these wire centers.<sup>11</sup> Verizon<sup>12</sup>, for example, states that its 4G LTE network is "able to handle download speeds between 5 and 12 Mbps and upload speeds between 2 and 5 Mbps, with peak download speeds approaching 50 Mbps." Verizon claims that such speeds exceed the download capacity

<sup>&</sup>lt;sup>9</sup> The Department claims to be most concerned about customers receiving broadband from KTF that cannot receive DSL service from CenturyLink. 256 kbs is the lowest speed CenturyLink offers over DSL although the lowest speed available in this area is 512 kbs. The minimum speed for broadband funding in the Connect America Fund Program is 10 megabits per second, approximately 20 times faster. State broadband goals are for a minimum of 25 mps download speeds.

<sup>&</sup>lt;sup>10</sup> https://broadbandnow.com/HughesNet.

<sup>&</sup>lt;sup>11</sup> In the Matter of the Petition of CenturyLink QC to be Regulated Pursuant to Minn. Stat. § 237.025: Competitive Market Regulation, Order Granting Petition in Part, Docket No. P-421/AM-16-496. (May 22, 2017). <sup>12</sup> https://www.verizon.com/articles/4g-lte-speeds-vs-your-home-network/.

of cable systems and urges customers in rural areas to "Break Free from Your ISP."<sup>13</sup> Verizon's coverage map claims coverage for 4G LTE throughout the entire service areas at issue in this proceeding.<sup>14</sup> Other providers offer similar broadband access.<sup>15</sup>

In short, every customer currently served by KTF appears to have multiple alternatives for internet access on par with CenturyLink's slowest DSL speeds. Public convenience does not dictate that CenturyLink should be required to continue to provide service to KTF for free or invent new broadband services to serve KTF's customers.

#### CONCLUSION

The Commission should decline the Department's invitation to use this straightforward petition for disconnection to convert it into an order requiring CenturyLink to either continue service without payment or invent new retail broadband services to make sure that KTF customers have broadband service.

The Commission does not have the authority to issue such an order. Even if it did, such a mandate is unnecessary in light of the options available to these customers. The Commission should issue an order mandating disconnection and requiring KTF to notify its customers.

Dated this 21st day of October, 2020.

QWEST CORPORATION dba CENTURYLINK QC

/s/ Jason D. Topp Jason D. Topp 200 South Fifth Street Room 2200 Minneapolis, MN 55402 (651) 312-5364

<sup>&</sup>lt;sup>13</sup> *Id*.

<sup>&</sup>lt;sup>14</sup> <u>https://www.verizon.com/coverage-map/</u>.

<sup>&</sup>lt;sup>15</sup> <u>https://broadbandnow.com/Mobile-Broadband-Providers.</u>