

STATE OF VERMONT  
PUBLIC UTILITY COMMISSION

Case No. 18-3231-PET

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Petition of the Vermont Department of Public Service for an investigation into the service quality provided by Telephone Operating Company of Vermont, Inc., d/b/a Consolidated Communications, Inc.	
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Order entered: 09/26/2018

**ORDER OPENING INVESTIGATION AND NOTICE OF PREHEARING CONFERENCE**

**I. INTRODUCTION**

In this Order, the Vermont Public Utility Commission (“Commission”) begins an investigation, pursuant to 30 V.S.A. § 30, into the compliance of Telephone Operating Company of Vermont, Inc., d/b/a Consolidated Communications, Inc. (“Consolidated”) with service quality standards for retail customers of telecommunications services. In this investigation the Commission will also determine whether penalties should be imposed for any non-compliance with those requirements.

**II. PROCEDURAL HISTORY**

On June 26, 2017, in Case No. 8881, the Commission approved the merger of Consolidated and FairPoint.<sup>1</sup> As part of that approval, Consolidated was required to follow the service quality metrics identified in Dockets 5903 and 8701.<sup>2</sup>

On September 19, 2018, the Department of Public Service (“Department”) filed a petition with the Commission requesting that the Commission open an investigation into Consolidated’s failure to meet certain of the service quality standards that Consolidated assumed in Case No. 8881.

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<sup>1</sup> In this Order, “FairPoint” refers to, collectively, FairPoint Communications, Inc., Telephone Operating Company of Vermont LLC, d/b/a FairPoint Communications, FairPoint Vermont, Inc., d/b/a FairPoint Communications, UI Long Distance, Inc., and Enhanced Communications of Northern New England, Inc.

<sup>2</sup> *Joint Petition of Consolidated Communications Holding, Inc.*, Case No. 8881, Order of 6/26/17 at 35.

### III. DISCUSSION

The Commission's approval of Consolidated's merger with FairPoint was based, in part, upon Consolidated's commitment "to providing superior service quality through its established system for identifying and remediating areas of a network that experience consistent out-of-service problems, which we expect will improve service for many Vermont customers."<sup>3</sup>

The Department maintains that, based on Consolidated's recent quarterly Service Quality Performance Index reports, the company has failed to meet the baseline quality standard for customer troubles cleared within 24 hours by a large margin and that the margin has increased over recent months. The Department also points out that the number of consumer complaints received from Consolidated customers related to service outages between July and September of 2018 has increased by 2,760% over the same period in the previous year. Similarly, the Department reports that the number of complaints related to installation delays between July and September of 2018 has increased 500% over the same period in 2017. The Department states that it has been conducting an informal inquiry into this matter and that Consolidated is cooperating with the inquiry. However, the Department argues that a formal investigation by the Commission is needed to determine whether Consolidated is taking measures to ensure prompt and reliable service consistent with its service quality obligations.

Consolidated's recent Service Quality Performance Index reports, and the negative performance trends indicated by those reports, raise significant questions about Consolidated's compliance with the service quality obligations it assumed in Case No. 8881. Therefore, today we open an investigation into Consolidated's compliance with Condition 14 of the Final Order in Case No. 8881. The investigation will also consider what penalties, if any, should be imposed on Consolidated for any violation of those requirements. In addition, given the severe decline in Consolidated's service quality, we conclude that it is reasonable to require Consolidated to submit weekly reports to the Department detailing its progress in implementing a service quality action plan.

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<sup>3</sup> *Joint Petition of Consolidated Communications Holding, Inc.*, Case No. 8881, Order of 6/26/17 at 3.

**IV. ORDER**


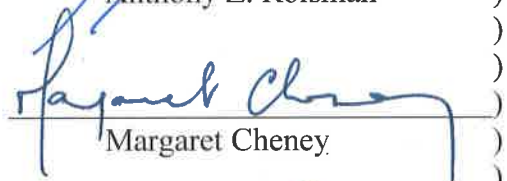

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Public Utility Commission (“Commission”) of the State of Vermont that:

1. Pursuant to 30 V.S.A. §§ 30, 203, and 209, an investigation is opened regarding the compliance of Telephone Operating Company of Vermont, Inc., d/b/a Consolidated Communications, Inc., with Condition 14 of the Final Order in Case No. 8881.

2. While this investigation is pending, Consolidated shall submit weekly reports to the Department of Public Service detailing its progress in implementing a service quality action plan.

3. Pursuant to 30 V.S.A. § 10, a prehearing conference will be held before the Public Utility Commission on October 11, 2018, commencing at 11:30 a.m., at the Susan M. Hudson Hearing Room, Third Floor, Chittenden Bank Building, 112 State Street, Montpelier, Vermont.

Dated at Montpelier, Vermont, this 26th day of September, 2018.

	)	
Anthony Z. Roisman	)	PUBLIC UTILITY
	)	
	)	
Margaret Cheney	)	COMMISSION
	)	
	)	
Sarah Hofmann	)	OF VERMONT

OFFICE OF THE CLERK

Filed: September 26, 2018

Attest:   
Clerk of the Commission

*Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Commission (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: [puc.clerk@vermont.gov](mailto:puc.clerk@vermont.gov))*

PUC Case No. 18-3231-PET - SERVICE LIST

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