

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 21-4060-PET

Petition of Consolidated Communications of Vermont Company, LLC, and Consolidated Communications of Northland Company for approval of a successor (2022-2024) Incentive Regulation Plan, pursuant to 30 V.S.A. § 226b	
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Order entered: 03/11/2022

COMMISSION REQUEST FOR INFORMATION

This case involves a petition filed with the Vermont Public Utility Commission (“Commission”) by Consolidated Communications of Vermont Company, LLC, and Consolidated Communications of Northland Company (collectively “Consolidated”) for approval of a new incentive regulation plan pursuant to 30 V.S.A. § 226b.

The parties have submitted competing proposals for a successor incentive regulation plan (the “Proposed Plans”). All prefiled testimony has been submitted. Although there remain significant disputes between the parties’ proposals, the Vermont Department of Public Service (“Department”) and Consolidated appear to agree that some form of deregulation is appropriate.

The Commission would like to develop a broader understanding of the effect that each proposal would have on Consolidated’s basic local exchange service (“BLES”) in Vermont. The Commission would also like to better understand the experiences that other jurisdictions have had when deregulating their telephone industries and any lessons that might be learned from those experiences. To assist the Commission with its evaluation of the Proposed Plans, **please respond to the following information requests by April 6, 2022.** For each response, please identify the witness that has prepared the answer and plan to have that witness available at the evidentiary hearing to respond to any follow-up questions from the Commission.

1. Other Jurisdictions

- a. Witnesses for both parties have stated some familiarity with telephone deregulation in other states, including Maine. Please describe the deregulation approach taken in Maine and address any similarities or differences between Maine’s deregulation and the Proposed Plans. If there are other jurisdictions with

deregulation approaches similar to what is being proposed for Vermont, please describe those jurisdictions as well.

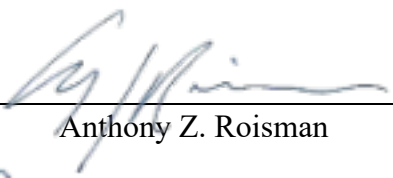
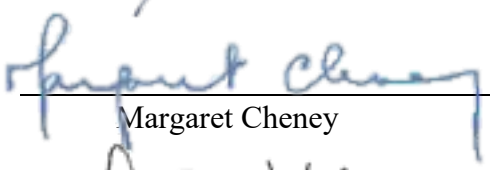
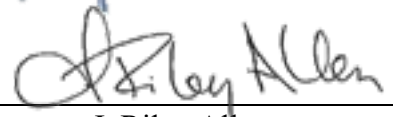
- b. Please describe any standards or criteria used to identify areas for deregulation in Maine or any other deregulated areas discussed above.
- c. Please explain whether Consolidated still offers BLES service in deregulated areas of Maine and any other deregulated areas discussed above.
- d. If Consolidated offers BLES in jurisdictions that were deregulated, please describe the effect that deregulation had on Consolidated's BLES rates. If the jurisdiction was only deregulated in part, please describe the effect of deregulation on BLES rates in areas that were deregulated and areas that continued to be regulated.

2. The Proposed Plans

- a. Please provide an analysis of the effect of the Proposed Plans on BLES rates in competitive/noncompetitive (as described by Consolidated) and Tier 1/Tier 2 municipalities (as described by the Department). The analysis should compare the relative impacts of the Proposed Plans.
- b. Do the Proposed Plans require BLES rates to be uniform for all competitive or Tier 2 municipalities?
- c. Consolidated states that it provides BLES at a loss and that it expects those losses to increase for BLES provided over its copper network due to continuing declines in access lines. Please explain how each of the Proposed Plans would affect Consolidated's current revenue loss associated with BLES.
- d. The Department's witness Ankum states that Consolidated's proposed plan would allow Consolidated to eliminate BLES in competitive areas and proposes to require the continued availability of BLES offerings. Does Consolidated agree that BLES will continue to be available in both competitive and noncompetitive municipalities under its proposed plan?
- e. How many municipalities would be classified as competitive/Tier 2 if Consolidated's Internet service is excluded from the evaluation?

- f. If a municipality no longer qualifies as competitive/Tier 2, would that municipality become subject to regulation again? What would the process be for returning a municipality's regulated status consistent with other noncompetitive/Tier 1 municipalities?
- 3. Other Issues
 - a. Will the proposed deregulation of BLES services in competitive areas affect Consolidated's eligible telecommunications carrier obligations? If so, please describe the impacts.
 - b. Does the Commission have the authority to impose an accelerated schedule on Consolidated's completion of federal RDOF buildout requirements? Does the Department's proposal raise any preemption concerns?

Dated at Montpelier, Vermont, this 11th day of March, 2022.

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Anthony Z. Roisman	)	PUBLIC UTILITY
	)	
	)	
Margaret Cheney	)	COMMISSION
	)	
	)	
J. Riley Allen	)	OF VERMONT

OFFICE OF THE CLERK

Filed: March 11, 2022

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)

PUC Case No. 21-4060-PET - SERVICE LIST

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