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## **BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

| IN THE MATTER OF THE PETITIONS OF | Bresnan Broadband of Utah, LLC's Initial |
|-----------------------------------|--|
| BRESNAN BROADBAND OF UTAH, LLC    | Post-Hearing Brief                       |
| TO RESOLVE DISPUTE OVER           |  |
| INTERCONNECTION OF ESSENTIAL      |  |
| FACILITIES AND FOR ARBITRATION TO | Docket No. 08-2476-02                    |
| RESOLVE ISSUES RELATING TO AN     |  |
| INTERCONNECTION AGREEMENT WITH    |  |
| UBTA-UBET COMMUNICATIONS, INC.    |  |

Bresnan Broadband of Utah, LLC ("Bresnan"), hereby submits the following Initial Post-

Hearing Brief in the above-referenced Docket.

#### I. INTRODUCTION

Following extensive negotiations between Bresnan and UBTA-UBET Communications, Inc. ("UBET"), there remain just 6 critical issues for the Commission to determine in this docket:

1. Should the Agreement provide an option for indirect interconnection?

2. Should the Agreement provide that, if traffic is largely in balance, bill and keep will be used?

3. Should the Agreement provide for extra flat-rated compensation when UBET terminates a Bresnan call to a customer in one of UBET's Extended Area Service ("EAS") exchanges?

4. If bill and keep is not applicable because traffic is not in balance (or because the Commission has rejected bill and keep altogether), what should the reciprocal compensation rate be to terminate local traffic?

5. If there is an extra charge to terminate a call to a customer in an EAS exchange, what should that charge be?

6. Should the Agreement include a reference to a possible appeal of the Commission's order in this proceeding?

With respect to these issues Bresnan urges the Commission to decide as follows:

1. Indirect interconnection should be required because it is the method of interconnection requested by Bresnan initially and it is technically feasible for UBET to accommodate that request. Additionally, indirect interconnection should be established with each party paying the transiting costs on the traffic it originates.

2. For simplicity and to minimize unnecessary bookkeeping costs for both parties, bill and keep should apply unless and until traffic is substantially out-of-balance.

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3. All local traffic should be compensated at the same rate, including EAS traffic, and there should be no extra charge to terminate a call to a customer in an EAS exchange.
Further, there should certainly be no flat-rate charged to Bresnan to terminate calls to UBET customers outside Vernal as such a charge would be significantly anticompetitive.

4. Reciprocal compensation rates should be established between \$0.0007 and \$0.01 per minute to comply with Utah law and be both nondiscriminatory and cost-based.

5. If there is an extra charge to terminate a call to a customer in an EAS exchange, that charge should be established between \$0.0007913 and \$0.002 per minute based on cost principles and the principle of non-discrimination.

6. Finally, the agreement should say nothing about whether and the extent to which a party has a right to appeal the Commission's order in this docket.

# II. ISSUE # 1 – INDIRECT INTERCONNECTION

Utah law requires interconnecting telecommunications corporations to permit the mutual exchange of traffic between their networks without unreasonable blocking or other unreasonable restrictions on the flow of traffic.<sup>1</sup> Indirect interconnection, i.e. interconnection through a third-party with whom both parties are already interconnected, is a well-established means in Utah and throughout the nation of doing just that.<sup>2</sup> Further, the Commission's rules specifically allow the carrier requesting interconnection to select the desired point of interconnection.<sup>3</sup> In this instance,

<sup>&</sup>lt;sup>1</sup> Utah Code Ann. § 54-8b-2.2.

<sup>&</sup>lt;sup>2</sup> Transcript of Hearing Proceedings ("TR") at p. 622-624.

<sup>&</sup>lt;sup>3</sup> Utah Admin. Code R746-348-3(A)(1).

Bresnan is the carrier requesting interconnection and is requesting that it have the option to interconnect, at least initially, indirectly.

The Commission's rules limit Bresnan's discretion only by stating that the requested point of interconnection must be technically feasible.<sup>4</sup> Clearly, indirect interconnection is technically feasible. First, UBET has an existing agreement with a wireless company that explicitly provides for indirect interconnection.<sup>5</sup> Certainly UBET would not have agreed to such an agreement if it were not technically feasible. Second, UBET's own witness, Mr. Douglas Meredith, admitted under cross-examination that indirect interconnection was technically feasible in so far as calls to and from each carrier would be terminated correctly under such an arrangement.<sup>6</sup> Therefore, under Utah law and the Commission's rules there is no reason to deny Bresnan's request for indirect interconnection.

With respect to the specific terms and conditions under which indirect interconnection should be allowed, the language offered by Bresnan and the language offered by UBET is different in five key respects. In each respect, the language proposed by Bresnan is more reasonable.

The first distinction is that UBET is attempting in its version of Section 3.1.2. to implicitly eliminate indirect interconnection by limiting it to a tandem "to which both Parties are interconnected for the exchange of local traffic." UBET does not connect to any tandem for purposes of exchanging local traffic. Therefore, this language would eviscerate the entire indirect interconnection section. If the Commission approves indirect interconnection it should

<sup>&</sup>lt;sup>4</sup> Utah Admin. Code R746-348-3(A).

<sup>&</sup>lt;sup>5</sup> See Exhibit DPU 2 at p. 5 (Section 3.4.1).

<sup>&</sup>lt;sup>6</sup> TR at p. 210, ll. 13-23.

not permit UBET to escape that obligation through the back door with this unreasonably restrictive language. There is simply no technical reason why trunks used for toll traffic cannot also be used for local traffic.

The next distinction in the dueling language is in Section 3.1.3 of the proposed Agreement. Bresnan's proposed language is "Each Party shall be solely responsible for all connectivity between its network and the 3rd party tandem switch." This language is perfectly consistent with the Commission rule that requires each party to be responsible for the network on its side of the meet point – in this instance the 3rd party tandem switch.<sup>7</sup> Conversely, UBET suggests in its proposed section 3.1.3 that "Each party shall be solely responsible for all connectivity between its network and a POI inside the UBET service area." This provision makes no sense. The 3rd party tandem will not be within the UBET service area. Therefore, the facility between the 3rd party tandem provider and UBET will be ordered and managed by UBET or the 3rd party tandem provider. As such, it would be practically impossible for Bresnan to be "solely responsible" for that connection between the two other providers. This provision also ignores the fundamental principle of indirect interconnection. Where there are small amounts of traffic being exchanged between two carriers, it is simply more efficient to use existing trunks that are already established and already carry other traffic to a common tandem. That way no one has to bear the expense of constructing a new facility while traffic volumes are small. If Bresnan were somehow able to be "solely responsible" for the connection between the 3rd party tandem provider and UBET, there would be no existing facility and no way to efficiently share the capacity of such an existing facility for this purpose. The end result of this

<sup>&</sup>lt;sup>7</sup> Utah Admin. Code R746-348-3(B)(1).

language, if adopted, would be to ensure that indirect interconnection is economically unfeasible. As such, this back-door effort by UBET to restrict indirect interconnection should be rejected.

The other distinction in the dueling Sections 3.1.3 revolves around the issue of which party should pay the transiting charges assessed by the tandem provider. Bresnan's language provides that the transiting charges are to be paid by the originating carrier. UBET's language would require Bresnan to pay all of the transiting charges, even on calls originated from UBET customers. Bresnan's language is again consistent with the notion that each carrier is responsible for its own network. This language is also consistent with the principle that the originating carrier pays the costs of calls originating from its customers. Under UBET's proposed language, UBET would have no cost responsibility for interconnection at all. Bresnan would pay for the cost of the connection with the 3rd party tandem and all transiting costs. For comparison, under UBET's direct interconnection proposal UBET would incur the costs of the network on its side of the interconnection point. Thus, under UBET's proposal for indirect interconnection, Bresnan would pay the \$34.93-\$139.73 per month (depending on traffic volumes) in transiting charges associated with UBET-originated calls and UBET would pay nothing.<sup>8</sup> Under UBET's proposal for direct interconnection, UBET would incur \$175 per month in costs.<sup>9</sup> Since UBET is willing to incur \$175 per month for direct interconnection costs, it would be unreasonable to make Bresnan pay 100% of the costs of indirect interconnection. Asking UBET to pay the \$34.93-\$139.73 per month (depending on traffic volumes) in transiting charges associated with UBET-

<sup>&</sup>lt;sup>8</sup> See Exhibit B-2, Attachment Bresnan Response to DPU 2.2BB and 2.3BB, Indirect and Direct Interconnection spreadsheet, page 1 of 3.

<sup>&</sup>lt;sup>9</sup> See Exhibit B-2, Attachment Bresnan Response to DPU 2.2BB and 2.3BB, Indirect and Direct Interconnection spreadsheet, page 3 of 3.

originated calls would still result in UBET paying less than it would under a direct interconnection scenario.

The fourth distinction on the dueling indirect interconnection paragraphs is in the different Section 3.1.5 with respect to the information to be provided along with each call. Having reconsidered this issue, Bresnan is willing to accept the proposed list of information proposed by UBET with the following two caveats: (a) that Bresnan's introductory language is used and (b) that the acronyms are spelled out for clarity. Therefore, the new language proposed by Bresnan would be:

"For all Local, EAS and ISP-Bound Traffic exchanged between the Parties via Indirect Interconnection, the originating Party shall supply to the terminating Party, at no charge to the terminating Party, call records which include: Record ID, Date of Call, Called Party Number (CdPN), Calling Party Number (CPN), CIC (if applicable), Time of Call, Elapsed Minutes, Elapsed Seconds, and valid OCN (Operating Company Number)."

Bresnan prefers its proposed introductory language for two reasons. First, the UBET language refers to "all indirectly routed traffic", which might be construed to cover long distance traffic which is not covered by the agreement, but which Bresnan might appropriately route through a tandem. Second, the UBET language also refers to a specific report called "Call Detail Records (CDR)". Bresnan may be able to provide the requested information without that specific report for which, in certain instances, there may be a charge from the tandem provider. The more generic language in the Bresnan version preserves other, less-expensive options while still providing the information requested.

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Finally, the last distinction relates to the Sections 3.1.6 and the cut-off point for when there is a switch to direct interconnection. Bresnan suggests that the standard be that direct interconnection is initiated when traffic exceeds 512 CCS in the busy hour for 3 consecutive months. This would ensure that the switch to direct interconnection will not happen simply due to a one-time or transitory increase in traffic. Conversely, UBET proposes that the switch is made the first time that threshold is met. That language could unnecessarily cause the shift to occur due to a one-time event and cause both parties to incur costs before it is reasonable to do so.

## III. ISSUE # 2 – BILL AND KEEP

It is Bresnan's expectation, based on our experience in every other market in which we operate, that the traffic exchanged between Bresnan and UBET will be roughly in balance.<sup>10</sup> Since the process of billing and collecting reciprocal compensation payments can be time-consuming and costly, Bresnan proposes that both parties be spared this effort and cost by using a system of bill and keep where traffic is roughly in balance. The practice of using bill and keep for traffic essentially in balance is widely used across the country.<sup>11</sup>

Having said that, Bresnan understands and agrees that if traffic is substantially out-ofbalance that reciprocal compensation should apply. Therefore, Bresnan recommends that there be established a threshold for implementing reciprocal compensation when one party is originating 60% or more of the aggregate local, EAS, and ISP-Bound traffic. Again, the 60% threshold is widely used across the country and is recognized as a reasonable precaution against

<sup>&</sup>lt;sup>10</sup> TR at p. 631, l. 22 to 632, l. 3.

<sup>&</sup>lt;sup>11</sup> TR at p. 632, ll. 4-9.

out-of-balance situations.<sup>12</sup> However, Bresnan is also willing to accept a 55% threshold if the Commission believes a tighter standard is more appropriate. This tighter standard is also endorsed by UBET, to the extent the Commission requires bill and keep. If the Commission elects this tighter standard, Bresnan urges the Commission to adopt the language recommended by Bresnan rather than the language endorsed by UBET. The only difference in the two versions is that UBET's language would ignore ISB-bound traffic when determining whether the threshold is met. Since ISB-bound traffic is specifically covered by the Agreement and would be subject to reciprocal compensation payments if traffic is out of balance, it is certainly appropriate to include such traffic in any determination of whether the out-of-balance threshold is met or not.

## IV. ISSUE # 3 – COMPENSATION FOR EAS TRAFFIC

As an initial matter, the issue of compensation of calls that terminate outside of Vernal, i.e. termination of calls in UBET's EAS area, was broken down into two parts as the parties identified the 6 issues to be decided by the Commission. Issue # 3 deals with two questions: (a) whether there should be any extra charge for calls that terminate outside of Vernal and (b) whether a charge, if there is one, should be assessed on a flat-rate basis or a per-minute of use basis. Issue # 5 then deals with what the level of such a charge should be, if one were to be adopted. This section of Bresnan's Initial Post-Hearing Brief will discuss the two parts of Issue # 3.

<sup>&</sup>lt;sup>12</sup> Id.

UBET initially proposed a flat-rated charge of \$2.74 per month per line for each Bresnan customer.<sup>13</sup> At the hearing, UBET modified its recommendation to be a flat-rated charge of \$1.80 per month.<sup>14</sup> In either case, Bresnan is adamantly opposed to any flat-rate charge for terminating calls outside of the Vernal exchange. Such a proposal, if adopted, would represent a substantial barrier to competition and run directly counter to the Commission's mandate to promote competition in Utah. In particular, a flat-rate charge for terminating calls outside Vernal would dramatically over-compensate UBET for the services being provided and create an imbalanced competitive playing field.

UBET suggests that terminating calls from Bresnan customers in Vernal to other exchanges outside Vernal is the "same service" as terminating a call from a UBET customer in Vernal to a UBET customer outside Vernal.<sup>15</sup> However, even if one accepts this as true, UBET then inexplicably proposes to charge Bresnan <u>64%</u> more than UBET charges its own customers for this "same service".

When a Bresnan customer in Vernal calls a UBET customer in Flattop, the call will be sent to Bresnan, then to the UBET switch, then over the UBET transport facilities, then through the remote serving Flattop, and finally to the terminating customer. Assuming the customer makes 115 minutes of calls per month<sup>16</sup>, Bresnan would, under UBET's proposal, pay \$0.01 per minute in termination charges and \$1.80 per month in a flat-rated charge for being able to terminate those calls outside Vernal. In total, that would equal \$2.95 per month. Conversely, a

<sup>&</sup>lt;sup>13</sup> Exhibit UU-1 at page 1 of the Pricing Attachment included as Exhibit 1 to Ms. Wimer's testimony.

<sup>&</sup>lt;sup>14</sup> TR at p. 268, ll. 15-18.

<sup>&</sup>lt;sup>15</sup> Exhibit UU-1 at p. 32, ll. 594-595.

<sup>&</sup>lt;sup>16</sup> UBET's responses to Bresnan's data requests indicate that, on average, Vernal customers make 114.9 minutes of calls per month to the other EAS exchanges. Exhibit B-4 at p. 2.

UBET customer calling from Vernal to Flattop would likewise have her calls routed to the UBET switch, then over the UBET transport facilities, then through the remote serving Flattop, and finally to the terminating customer. In essence, the call path on the UBET side once it gets to the Vernal switch is identical. But the UBET customer making the same 115 minutes of calls per month would pay only an incremental charge of \$1.80 per month for the service. The rest of the customer's charges are the basic charges associated with being able to call customers in the Vernal exchange. Therefore, under UBET's proposal, Bresnan would be charged <u>64% more</u> for the "same service" using identical UBET facilities. Clearly, even if UBET's retail rate were a reasonable proxy for cost (which retail rates typically aren't), UBET would be charging Brenan far in excess of UBET's own costs. Further, UBET's proposal is obviously anticompetitive in that it would charge a competitor more for a service than it charges its own customers.

UBET's proposed flat-rate charge also creates an imbalanced competitive playing field in other ways. By requiring Bresnan to report its access line count on a monthly basis, Bresnan is providing competitively sensitive information to UBET. Indeed, UBET acknowledges that access line count by exchange is a confidential number.<sup>17</sup> Bresnan believes that UBET could use that information to its competitive advantage to decide, for example, whether and the extent to which marketing efforts are successful or should be increased.

Moreover, a flat-rate charge per customer in perpetuity would provide an automatic payment every month from Bresnan to UBET regardless of the costs, if any, actually being incurred. This charge would have the anticompetitive effect of making Bresnan less profitable and UBET more profitable with no cost-based basis, all other things being equal.

<sup>&</sup>lt;sup>17</sup> *See* Exhibit B-4 at p. 4-5.

Finally, UBET asserts that it has a legal obligation to impose this charge on Bresnan customers because the Commission has ordered UBET to assess these charges on all of its retail customers. This assertion is incorrect and Utah law provides for no such "misery loves company" notion. The legal obligations imposed by the Commission with respect to a carrier's regulated retail customers are wholly separate and distinct from the legal obligations imposed by the Commission with respect to other interconnected carriers. There is absolutely no precedent of which Bresnan is aware or which has ever been cited by UBET for the proposition that a retail charge in Utah must be assessed on interconnected competing carriers as part of a similar wholesale service. The Commission is perfectly free to only impose those costs on competing carriers that are cost-based and consistent with the goals of promoting competition and a level competitive playing field.

#### V. ISSUE # 4 – RECIPROCAL COMPENSATION

Utah law requires that interconnection be provided and essential facilities purchased on a nondiscriminatory basis.<sup>18</sup> The law further provides that costs should dictate the prices for interconnection and the purchase of essential facilities because genuine cost differences are the only basis under which the Commission may accept a discriminatory pricing practice.<sup>19</sup> This law is perfectly consistent with well-established economic principles that dictate that the prices charged for regulated wholesale services should be cost-based to (a) promote a level playing field between competitors and (b) ensure that the incumbent provider is not able to subsidize its

<sup>&</sup>lt;sup>18</sup> Utah Code Ann. § 54-8b-2.2(1)(a)(ii).

<sup>&</sup>lt;sup>19</sup> Utah Code Ann. § 54-8b-2.2(1)(f).

operations or unreasonably restrict competitive entry by charging its competitor more than the incumbent's reasonable costs.

Applying these principles to the issue of the reasonable rate for Bresnan and UBET to charge each other for the termination of local traffic, the Commission cannot approve a rate any higher than \$.01 per minute. The interconnection agreements between UBET and UBET wireless, an affiliated carrier, and Western Wireless clearly provide that the rate for termination within the Vernal exchange is a negotiated \$.01 per minute.<sup>20</sup> Therefore, any rate higher than \$.01 per minute would be discriminatory. As UBET has provided no cost study in this proceeding suggesting that a higher rate would be cost-based, that rate is the highest permissible under Utah law.<sup>21</sup>

Notwithstanding UBET's failure to put any cost studies into evidence in this proceeding, there has been cost data entered into evidence which demonstrates that the actual cost to UBET is substantially less than the \$.01 rate that was negotiated between UBET and various wireless carriers. First, Mr. Harris testified that the Federal Communications Commission and others across the country have recognized a proxy for a cost-based rate for traffic termination in the absence of a specific cost study to be \$0.0007 per minute.<sup>22</sup>

Second, there was a specific cost study done to determine the cost of terminating traffic in Qwest's rural exchanges.<sup>23</sup> That cost study resulted in rates approved by the Commission as part of Qwest's SGAT to terminate calls into Qwest's rural exchanges.<sup>24</sup> Importantly, that cost

<sup>&</sup>lt;sup>20</sup> See Exhibits B-6 at Section 4.2 and DPU-3 at Section 4.2 on p. 12.

<sup>&</sup>lt;sup>21</sup> Tr. at p. 357, ll. 4-9.

<sup>&</sup>lt;sup>22</sup> See, e.g., Tr. at p. 632, ll. 14-25.

<sup>&</sup>lt;sup>23</sup> See, e.g., TR. at p. 635, ll. 2-21.

<sup>&</sup>lt;sup>24</sup> *Id*.

study associated with the SGAT rates approved by the Commission specifically included the cost information for the Vernal, Roosevelt, and Duchesne exchanges – three exchanges now served by UBET.<sup>25</sup> That study and the Commission order resulted in a rate for terminating local traffic of \$0.001798.<sup>26</sup>

Ultimately, both the proxy rate and the rate derived from the Commission order and associated cost study, demonstrate a <u>significantly</u> lower cost for terminating local traffic than the negotiated \$.01 per minute reflected in the UBET-wireless interconnection agreements. Based on these studies, while Bresnan believes that the \$0.0007 rate is a reasonable proxy, Bresnan would also certainly support as reasonable and cost-based the \$0.001798 rate actually adjudicated and ordered by the Commission when considering a cost study that specifically included the exchanges at issue in this proceeding.

Therefore, in accordance with Utah law, the rate the Commission sets for reciprocal compensation should be no higher than \$0.01 per minute and should more reasonably reflect the cost-based calculations of either \$0.0007 or \$0.001798 per minute.

## VI. ISSUE # 5 – LEVEL OF COMPENSATION FOR EAS TRAFFIC

If the Commission determines that there should be an extra charge when UBET terminates traffic outside the Vernal exchange, the Commission should set a rate on a per-minute of use basis rather than a flat-rate for the reasons discussed above. Additionally, the per-minute of use rate that is set should again be nondiscriminatory and cost-based.

 $<sup>^{25}</sup>$  *Id*.

<sup>&</sup>lt;sup>26</sup> See Exhibit B-3 at p. 2 of 18 (Section 7.6.1.3).

As with the rate for reciprocal compensation, the highest nondiscriminatory rate the Commission could approve for termination outside of the Vernal exchange is \$0.002 per minute. Again, in both the UBET Wireless and Western Wireless interconnection agreements, the incremental termination charge for traffic going outside the Vernal exchange is \$0.002 per minute.<sup>27</sup> That rate was agreed to by UBET and, as such, is presumably fully compensatory for UBET's costs associated with terminating such traffic. It would be unlawful discrimination to charge Bresnan a higher rate for that same service.

Having said that, there are other legitimate cost-based reasons for charging a lower rate. First, to the extent the Commission orders a reciprocal compensation rate of \$0.01 per minute, that rate would be fully compensatory for traffic traveling anywhere within the UBET local calling area. In particular, as discussed above, the actual cost of terminating calls to Vernal is \$0.001798 per minute and the incremental cost of completing calls throughout the EAS is equal to or less than \$0.002 per minute. Therefore, a charge of \$0.01 per minute would be fully compensatory in that it would be more than 2 times the cost so no additional charge for calls going outside Vernal would be necessary.

Further, assuming the Commission approves a rate for reciprocal compensation of either \$0.0007 or \$0.001798, an appropriate cost-based incremental rate for terminating calls outside of the Vernal exchange would be \$0.0007913. When calls are terminated outside of Vernal, the two key cost elements are the costs of switching in Vernal and the costs of transporting the calls to the other exchanges. The switching cost in Vernal is already embedded in the basic traffic termination rate. Thus, there is no need for an incremental charge for calls traveling to the other exchanges. The transport costs can be calculated using the Commission-approved Qwest SGAT

<sup>&</sup>lt;sup>27</sup> See Exhibits B-6 at Section 4.2 and DPU-3 at Section 4.2 on p. 12.

rates for rural areas. Again, when Qwest litigated its SGAT rates, the Vernal, Roosevelt, and Duchesne exchanges were included in those cost studies.<sup>28</sup> The applicable rates are set forth in the SGAT at Section 7.6.3 on page 2 of Exhibit B-3. Applying those rates to the miles between the various UBET exchanges and the average call pattern of a UBET customer today, a weighted-average cost-based rate would be \$0.0007913 per minute.<sup>29</sup>

Therefore, in accordance with Utah law, the incremental rate the Commission sets for terminating calls outside the Vernal exchange should be no higher than \$0.002 per minute and should more reasonably reflect the cost-based calculations of either (a) no additional charge if the Commission approves a reciprocal compensation charge of \$0.01 per minute or (b) a charge of \$0.0007913 per minute if the Commission approves either the proxy rate or the cost study based rate proposed by Bresnan for reciprocal compensation.

#### VII. ISSUE # 6 – APPEAL RIGHTS

In section 36 of the General Terms and Conditions, UBET proposes to insert the following sentence, "Nothing herein shall be construed to restrict either party's right to appeal the Utah Public Service Commission's interim order dated November 17, 2008, and/or any order from the Commission entered hereafter." This sentence is fundamentally inappropriate in this Agreement. First, the Commission should not issue an order purporting to affect or preserve an appeal right of one of its decisions. UBET's rights to appeal a Commission order either exist or they don't as governed by Utah law. To the extent the sentence expands or preserves those

<sup>&</sup>lt;sup>28</sup> See Tr. at p. 635, ll. 2-21 and p. 642, l. 21 to 643, l. 13.

<sup>&</sup>lt;sup>29</sup> Exhibit B-2, Attachment Bresnan Response to DPU 2.2BB and 2.3BB, Host-Remote Expense spreadsheet, page 1 of 1.

rights, it is inappropriate. To the extent the sentence does not impact those rights, it is unnecessary.

Further, in point of fact, UBET's appeal rights may well be impacted by the Agreement. For example, UBET has certainly waived any right to appeal the particulars of any provision of the agreement with which it has now agreed by stipulation. Additionally, the fact that certain provisions have been agreed to by UBET might reasonably impact a future court's view of UBET's ability to claim irreparable harm as part of a petition for a stay. In short, UBET's appeal rights are what they are by statute and they may or may not be limited by UBET's actions in this proceeding. Therefore, the Commission should neither preserve nor protect any rights which UBET may have foregone or diminished by its own actions and decisions.

## VIII. CONCLUSION

Bresnan strongly desires to vigorously compete for customers in Vernal and provide customers – those who switch and those who stay with UBET – with all of the benefits of such competition. But whether and the extent to which Bresnan can compete on a level playing field is largely a function of what the Commission does in this proceeding. As Mr. Harris summarized, "[A]t the end of the day, the entire agreement must be competitively neutral and balanced so that the benefits of competition will flow to the residents and businesses of Vernal."<sup>30</sup> To achieve competitive neutrality and balance, Bresnan asks that the Commission be guided by the two principles – (1) that interconnection between competing carriers should be cost-based and (2) that interconnection between competing carriers should be nondiscriminatory. The proposals advanced by Bresnan are consistent with these objectives and principles and

<sup>&</sup>lt;sup>30</sup> Tr. at p. 646, l. 13-16.

Bresnan respectfully requests that the Commission approve the Essential Facilities Agreement with the language proposed by Bresnan.

DATED this 23rd day of March, 2009.

# HOLLAND & HART, LLP

<u>s/ James A. Holtkamp</u> James A. Holtkamp Attorney for Bresnan Broadband of Utah, LLC

# **CERTIFICATE OF MAILING**

I hereby certify that on this 23rd day of March, 2009, I caused to be emailed a true and correct copy of the foregoing Bresnan Broadband of Utah, LLC's Initial Post-Hearing Brief to the following:

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