COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of: ELECTRONIC JOINT APPLICATION OF RED FIBER PARENT LLC, RF MERGER SUB, INC., CINCINNATI BELL, INC., AND **CINCINNATI BELL TELEPHONE** COMPANY LLC FOR (1) APPROVAL OF THE PROPOSED INDIRECT TRANSFER OF CONTROL OF CINCINNATI BELL TELEPHONE COMPANY LLC TO RED FIBER PARENT LLC PURSUANT TO KRS 278.020(6) AND KRS 278.020(6) AND A DECLARATION THAT APPROVAL UNDER KRS 278.020(7) IS NOT REQUIRED: (2) NOTICE OF THE PROPOSED INDIRECT TRANSFER OF CONTROL OF CINCINNATI BELL EXTENDED TERRITORIES LLC AND CBTS TECHNOLOGY SERVICES, LLC TO RED FIBER PARENT LLC; AND, (3) ALL OTHER REQUIRED APPROVALS AND RELIEF

CASE NO. 2020-00259

MOTION TO INTERVENE

Time Warner Cable Information Services (Kentucky), LLC, a Delaware limited liability company ("Charter"), respectfully requests that the Kentucky Public Service Commission (the "Commission") grant this motion for full intervention ("Motion") in the above-captioned proceeding.

This Motion is made pursuant to 807 KAR 5:001, Section 4(11), KRS 278.310 and 278.040(2), and the Commission's Order entered in this proceeding on August 20, 2020.

In support of this Motion, Charter states as follows:

 Charter is authorized in Kentucky to provide intrastate telecommunications services as a reseller and facilities-based carrier pursuant to KRS 278.010(3)(e), providing both local exchange and interexchange telecommunications services throughout the Commonwealth. Charter and its affiliates serve approximately 33,000 customer access lines within the service territory of Cincinnati Bell Telephone Company LLC ("CBT") in Kentucky.

2. All communications regarding this Motion should be addressed to the following persons:

James W. Gardner M. Todd Osterloh Sturgill, Turner, Barker & Moloney, PLLC 333 West Vine Street, Suite 1500 Lexington, KY 40507 Phone: (859) 255-8581 E-mail: jgardner@sturgillturner.com E-mail: tosterloh@sturgillturner.com Tiffany Smink VP Law – Telephone Regulatory Charter Communications, Inc. 6399 South Fiddler's Green Circle, 6th Floor Greenwood Village, CO 80111 Phone: (303) 712-8644 E-mail: tiffany.smink@charter.com

- 3. Charter respectfully requests that the Commission grant its Motion because of the significant effect the proposed transfer of control (the "Application") of CBT to Red Fiber Parent LLC ("Red Fiber") (CBT and Red Fiber are collectively referred to as "Applicants") may have on, among other things, rates, terms, and conditions that apply to wholesale services and facilities provided by CBT to competitive carriers. Red Fiber is a newly created entity owned by three investment funds, Macquarie Infrastructure and Real Assets, Inc., and Retail Employees Superannuation Trust, Australian companies, and Ares Management Corporation. Charter currently relies on CBT, a Kentucky incumbent local exchange carrier ("ILEC"), to provide service to its customers within CBT's service territory. CBT's obligation to provide Charter with non-discriminatory and operationally efficient access to services and facilities includes, but is not limited to, interconnection, number porting, wholesale operational support systems, pole attachments, and other functionalities, which Charter obtains through interconnection agreements, CBT's tariffs, and/or pole attachment agreements.
- 4. Charter seeks intervention because it has substantial and specific interests not adequately represented by other parties in this proceeding and which differ from those of the general public. Specifically, unlike the general public, Charter is concerned about the impact of the transaction on its operations as a competitive carrier that relies on CBT for wholesale

access to services and facilities. These interests are not merely "contractual," as described in the Interconnection Agreement between the parties. Instead, Charter is concerned whether the proposed transaction will adversely impact competition in Kentucky. Charter has no other means to protect its interests in Kentucky, and there is no other appropriate proceeding in which Charter will be able to evaluate the impact of the transaction on competitive providers that rely on CBT for access to these services and facilities in the Commonwealth.

- 5. Charter's participation will be of material value to the Commission in its determination of the issues involved in this proceeding. Charter's participation will neither broaden the scope nor delay the proceeding, but instead will allow Charter to provide unique, relevant perspective to assist the Commission in the development of a sound and thorough record. Charter has substantial operating experience with CBT not only in Kentucky but also in the other states in which Cincinnati Bell operates. To the benefit of the Commission, Charter will be able to draw upon its experience with other Cincinnati Bell ILEC subsidiaries and also its general expertise in telecommunications industry systems, processes, and procedures. In addition, the operational systems and process concerns discussed in this Motion are central to the Commission's determination of whether the transaction is consistent with the public interest and would not adversely affect competition.
- 6. Charter strongly supports the Commonwealth's explicit goal of fostering competition in local telecommunications service and recognizes the legislature's findings, as expressed in KRS 278.512, that there is robust competition and innovation in the provision of certain telecommunications services. While it is true that consumers in many areas enjoy the benefits of competition in communications services, this is not the case with respect to wholesale services. As the ILEC, CBT is uniquely positioned to be able to delay or disrupt Charter's and others' operations that rely upon "in-network" ILEC facilities and services, or that require access to outside plant like ILEC poles or conduits.

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- 7. Regarding network operations matters like interconnection, provisioning, number porting, billing, and similar functions, Charter's interests are bound tightly to CBT's performance under interconnection and wholesale service agreements and otherwise. CBT controls wholesale operational support systems, platforms and interfaces, and change management processes, that are critical to Charter's business and ability to compete in the Commonwealth. For example, Charter must rely on CBT's facilities for the exchange of local voice traffic between customers of the two and also, critically, to transport 911 emergency and public safety calls to the correct Public Safety Answering Points (PSAPs) within CBT's service area. Even though Charter may not purchase unbundled network elements from CBT, Charter still requires the availability of interconnection provided at nondiscriminatory rates, terms, and conditions. To the extent that the CBT transaction could result in modification or impairment of CBT's operational support systems, platforms and interfaces, and wholesale change management processes, or if CBT's wholesale performance measurements and standards are not maintained with at least the same quality of service, accuracy and flow-through, Charter's customers and business interests would experience significant harm. In sum, Charter is concerned about the possible impact the transaction may have on its business, and the potential that it may need to devote considerable additional resources to implement changes that may result.
- 8. Of equal significance, Charter depends on CBT to provide efficient access to poles, conduits, and rights-of-way. Charter (or a Charter affiliate) is attached to more than 13,000 CBT poles in Kentucky. Generally, a pole owner's practices can significantly impact the buildout of networks and facilities, especially to and within rural areas. As providers seek to expand their networks into unserved areas, whether as part of their responses to connectivity needs in the COVID-19 era or otherwise, practices that would impede pole attachment requests or limit access to conduits or rights-of-way would harm badly needed deployment of voice and next-generation communications services by imposing delays and

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increased costs. Consequently, Charter, the Commission, and the general public have an important interest in ensuring that pole, conduit and right-of-way resources in the Commonwealth are not used to hamper competitors, competition, and the availability and access of voice and next-generation communications services for Kentucky consumers.

- 9. Despite Applicants' claim that the transaction will be "seamless to CBT's customers in all respects,"¹ prior experience shows that similar transactions are not without impact to competitive providers. Frequently competitive providers must spend considerable amounts of time, effort, and expense to implement operational changes and to adapt to new systems and processes made necessary as a result of such transactions. This is especially important here where the ultimate transfer of control of CBT's parent company will be to Red Fiber, which is controlled by various foreign investment funds and other entities.² The Commission should thoroughly review the transaction to ensure that it will not result in interruptions in management or services, and that current change management processes are maintained and adequate to address any such changes.
- 10. For the reasons set forth above, Charter respectfully submits that it meets the qualifications, as set forth in 807 KAR 5:001, Section 4(11) and 278.040(2), to intervene and become a party to this proceeding. Charter has a special interest that is not adequately represented in this proceeding. Charter's participation will assist the Commission in fully considering the CBT transaction without unduly complicating or disrupting this proceeding. And, Charter has an interest in the rates charged and services provided by CBT in the Commonwealth.

¹ Application, Direct Testimony of Anton Moldan, Vice President of Red Fiber Parent, LLC, and RF Merger Sub, Inc., at 13.

² Application, at 10-11 and Exhibit 3.

WHEREFORE, Charter requests leave to intervene as a party to this proceeding with full rights of intervention, including rights to engage in discovery, to have notice of and appear at the taking of testimony, to produce and cross-examine witnesses, and to be heard in person or by counsel on brief and at oral argument.

RESPECTFULLY SUBMITTED this 28th day of August 2020.

TIME WARNER CABLE INFORMATION SERVICES (KENTUCKY), LLC

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James W. Gardner M. Todd Osterloh Sturgill, Turner, Barker & Moloney, PLLC 333 West Vine Street, Suite 1500 Lexington, KY 40507 Phone: (859) 255-8581 E-mail: jgardner@sturgillturner.com E-mail: tosterloh@sturgillturner.com

Tiffany Smink VP Law – Telephone Regulatory Charter Communications, Inc. 6399 South Fiddler's Green Circle, 6th Floor Greenwood Village, CO 80111 Phone: (303) 712-8644 E-mail: <u>tiffany.smink@charter.com</u>

Counsel for Time Warner Cable Information Services (Kentucky), LLC