

STATE OF NEW HAMPSHIRE

Before the

PUBLIC UTILITIES COMMISSION

Docket No. DT 23-103

CONSOLIDATED COMMUNICATIONS HOLDINGS, INC. AND

CONDOR HOLDINGS LLC

JOINT PETITION TO APPROVE TRANSFER OF CONTROL

DIRECT TESTIMONY OF MICHAEL L. SCANLON

**On behalf of Charter Fiberlink NH-CCO, LLC and Time Warner Cable
Information Services (New Hampshire), LLC**

April 26, 2024

1 **Q. Please state your name, employment, title, business address, and job**
2 **responsibilities.**

3 A. My name is Michael L. Scanlon. I am employed by Charter Communications,
4 Inc. (“Charter”) as Vice President, Circuit Operations. My business address is
5 12405 Powerscourt Drive, St. Louis, Missouri 63131. I am responsible for the
6 procurement, administration and cost management of direct third-party network
7 services used in the operation of the company’s internet and landline voice
8 services. I joined Charter in 2016 in a leadership role in the company’s St. Louis-
9 based controllership organization, serving as Senior Director of Technical
10 Accounting for the company. Prior to joining Charter, I held various senior
11 finance and accounting positions with some of St. Louis’s largest employers,
12 including Centene, Peabody Energy, and Solutia. Before moving into industry, I
13 worked for Ernst and Young LLP in the audit practice of their Chicago and St.
14 Louis offices. I am a licensed CPA in the State of Missouri, and I hold an MBA
15 from Washington University in St. Louis. I also earned a master’s and bachelor’s
16 degree in accountancy from Miami University in Ohio.

17 **Q. On whose behalf are you providing testimony?**

18 A. I am providing testimony on behalf of Charter Fiberlink NH-CCO, LLC and Time
19 Warner Cable Information Services (New Hampshire), LLC (collectively,
20 “Charter-NH”) in this proceeding.

21 **Q. Please identify Charter-NH and describe its services.**

22 A. Charter-NH is made up of two wholly-owned operating subsidiaries of Charter.

1 In 2004 and 2005, the New Hampshire Public Utilities Commission (the
2 “Commission”) issued several Orders Granting Authority to Provide Facilities-
3 Based Local Exchange Service and Competitive Interexchange Service and
4 Approving Schedule of Rates and Terms and Conditions, thereby allowing
5 Charter-NH to provide services regulated by the Commission.¹ Charter-NH
6 provides local network interconnection, telephone numbers, and other
7 telecommunications services to its unregulated voice over Internet Protocol
8 (“VoIP”) services affiliate. In addition, Charter-NH provides switched exchange
9 access services to interconnecting carriers who terminate calls on its network.
10 Charter-NH’s affiliate Time Warner Cable Business LLC is also authorized by the
11 Commission to provide telecommunications services.²

12 **Q. Please summarize Charter-NH’s position in this proceeding.**

13 **A.** This proceeding was initiated on December 27, 2023 by the filing of a Joint
14 Petition (the “Petition”) by Consolidated Communications Holdings, Inc.
15 (“CCHI” or “Transferor”), Consolidated Communications of Northern New
16 England Company, LLC (“CCNE”), Consolidated Communications of Maine
17 Company (“CCM,” and together with CCNE, “Consolidated”) and Condor
18 Holdings LLC (“Condor” or “Transferee,” and collectively with CCHI and
19 Consolidated, the “Petitioners”). The Petition requests that the Commission,
20 among other things, approve the transfer of indirect control of Consolidated to

¹ See Orders No. 22,473, 24,356, and Authorization of Charter Fiberlink NH-CCO, LLC to provide local exchange service, issued October 4, 2005.

² See Letter of Debra A. Howland confirming registration, issued June 17, 2014.

1 Condor (the “Transaction”).

2 Charter-NH has a substantial interest in this matter because Charter-NH
3 relies on Consolidated to provide timely, high quality, non-discriminatory,
4 reasonably priced, and operationally efficient services and access to facilities.
5 Such facilities and services include (without limitation) interconnection, number
6 porting, wholesale operational support systems, and other functionalities, which
7 Charter-NH obtains through interconnection agreements, tariffs, and/or other
8 wholesale agreements.

9 **Q. Does Charter-NH oppose approval of the Transaction?**

10 A. No. Charter-NH does not oppose the Commission’s approval of the Transaction,
11 provided that any such approval is contingent on the Petitioners’ agreement to the
12 conditions set forth in Attachment A to my testimony (the “Wholesale
13 Conditions”).³ Specifically, Charter-NH believes that the Transaction should not
14 directly or indirectly harm existing wholesale intercarrier relationships. The
15 Petitioners make various statements in the Petition about the status quo being
16 maintained following the Transaction, but these statements or assurances are
17 ultimately meaningless unless there is a specific minimum period of time that
18 ensures the continuity of existing wholesale intercarrier relationships. Therefore,

³ Merger conditions in the telecommunications industry are common. In 2017, Consolidated Communications Holdings, Inc. and FairPoint Communications, Inc. agreed to conditions very similar to those requested by Charter-NH herein. See *Joint Petition for Findings in Furtherance of the Acquisition of FairPoint Communications, Inc. and its New Hampshire Operating Subsidiaries by Consolidated Communications Holdings, Inc.*, Order Approving Settlement Agreement and Making Findings Under RSA 374:30, II, Order No. 26,022, Docket No. DT 16-872, May 31, 2017.

1 Charter-NH asks that the Commission premise any approval of the Transaction on
2 a finding that it is consistent with the interests of the wholesale customers of
3 Consolidated and to condition any such approval on the Petitioners' agreement to
4 the Wholesale Conditions.

5 **Q. How do the Wholesale Conditions address Consolidated's interconnection**
6 **agreement and wholesale obligations after the Transaction is completed?**

7 **A.** The Wholesale Conditions provide several substantive conditions that apply after
8 the closing of the Transaction, which will ensure that wholesale customers have
9 access to the same caliber and pricing of service subject to the standards and
10 obligations currently required of Consolidated. Specifically, under the Wholesale
11 Conditions, Consolidated would continue to honor existing interconnection
12 agreements and their terms, including those of any tariffs or pricing guides
13 incorporated by reference, for three years after the closing of the Transaction
14 (Condition I). This would include pricing of circuits used for interconnection and
15 the delivery of traffic between a CLEC's network and the public switched
16 telephone network, irrespective of whether a circuit was ordered under the
17 interconnection agreement as switched access or as special access. Based on
18 Charter's review of its interconnection circuits with CCHI entities, including
19 Consolidated, Charter has experienced a 111% increase in the prices for special
20 access/local access circuits used for interconnection purposes since the beginning
21 of 2023. In addition, Consolidated would commit to processing and completing
22 number ports so as to meet or exceed Commission and FCC porting requirements

1 with at least the same level of quality and intervals as they did pre-Transaction
2 (Condition II).

3 **Q. Are there Wholesale Conditions related to Operations Support Systems**
4 **(“OSS”) that the Commission should require if the Transaction is approved?**

5 A. Yes. Consolidated should be required to use its existing OSS and Billing Support
6 Systems (“BSS”) for at least 36 months from the date the Transaction closes. It
7 should also maintain at least the same intervals, quality of service, accuracy, and
8 flow-through, including for local service requests associated with LNP and
9 directory listings, and for access service requests and design layout records
10 associated with interconnection facilities, including trunks and DS-1 and higher
11 capacity facilities (Condition III). Also, before Consolidated migrates away from
12 any systems it currently uses for preordering, ordering, maintenance, repair,
13 billing, provisioning, or other processing of wholesale services to CLECs, it
14 should file a plan with the Commission detailing the migrations (i.e., a proposed
15 schedule), the specific systems and operations involved, and the wholesale
16 activities affected. Affected providers, like Charter-NH, should have the
17 opportunity to comment on the proposal. The Commission should have the
18 authority to hold proceedings and deny or delay the proposed migration if it finds
19 that the interests of providers relying on such systems, operations or services
20 would be adversely impacted by the proposal. Additionally, in the event that the
21 Commission approves such a migration. Petitioners should provide interested
22 CLECs with training, at no cost, on any new system and the ability to test such

1 new system during a period of 90 days before the migration. In the event the
2 Commission approves a migration but significant negative impacts to wholesale
3 providers occur due to the migration, CLECs should be able to seek Commission
4 approval of payment by Petitioners of all documented costs directly related to the
5 migration (Condition III).

6 **Q. Are there other wholesale protections the Commission should require from**
7 **the Petitioners in any approval of the Transaction?**

8 **A.** Yes. Consolidated should be required to sufficiently staff its wholesale customer
9 support centers with adequately trained personnel dedicated exclusively to
10 wholesale operations; maintain updated escalation procedures, contact lists, and
11 account manager information; and assign a single point of contact to Charter-NH
12 to address interconnection agreements, systems, and other issues. In addition, in
13 order to ensure competition is not harmed as a result of the Transaction,
14 Consolidated should refrain from seeking to recover – through wholesale service
15 rates – its costs associated with the Transaction, as well as any transfer or
16 rebranding of Consolidated (Condition IV).

17 **Q. How do these proposed conditions help ensure that the Transaction will not**
18 **result in harm to New Hampshire customers?**

19 **A.** The proposed conditions in Attachment A to my testimony provide needed
20 assurance that the wholesale market in New Hampshire will not be harmed as a
21 result of the Transaction. They require Consolidated to honor its existing
22 agreements, including interconnection agreements, and provide the same level of

1 service, support and pricing to wholesale customers. For these reasons, I believe
2 that the proposed conditions are necessary and consistent with both Charter-NH's
3 interest and the public interest more broadly.

4 **Q. Do you believe the proposed conditions are reasonable?**

5 **A.** Yes. The Commission reviewed a merger transaction involving Consolidated
6 Communications Holdings, Inc. and its ILEC affiliates and the parties agreed to
7 conditions very similar to those proposed herein.⁴ This prior agreement is strong
8 evidence of the reasonableness of the Wholesale Conditions.

9 **Q. Does this conclude your testimony?**

10 **A.** Yes, thank you.

⁴ See *supra* note 3.