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STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

September 17, 2007 - 7:00 p.m.  
Wilton-Lyndeborough High School  
Wilton, New Hampshire

RE: DT 07-027  
KEARSARGE TELEPHONE CO., WILTON TELEPHONE  
CO., HOLLIS TELEPHONE CO., AND MERRIMACK  
COUNTY TELEPHONE CO.: Petitions for  
Alternative Regulation Pursuant to  
RSA 374:3-b.  
(Public statement hearing)

PRESENT: Chairman Thomas B. Getz, Presiding  
Commissioner Graham J. Morrison

APPEARANCES: (No appearances taken)

COURT REPORTER: Steven E. Patnaude, CCR

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## I N D E X

PAGE NO.

Presentation by Mr. Reed (TDS Telecom)

7

## PUBLIC STATEMENTS BY:

Ms. Uhlir

14

Ms. Hodgen

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Ms. Sbona

18

Ms. Kenick

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Mr. St. Clair

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Ms. Roeper

25

Mr. Shepardson

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Mr. Labednick

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1 P R O C E E D I N G S

2 CHAIRMAN GETZ: Good evening, everyone.  
3 Let's try and get this public statement hearing underway.  
4 My name is Tom Getz. I'm the Chairman of the Public  
5 Utilities Commission. And, also here tonight is  
6 Commissioner Graham Morrison. I just got a call on my  
7 cellphone on the way over here, and Commissioner Below's  
8 car broke down somewhere on 93, so he will not be here  
9 this evening. Also here, on behalf of Staff, is the  
10 Director of our Legal Division, Anne Ross, and the Deputy  
11 Director of our Telecommunications Division, Pradip  
12 Chattopadhyay. And, also, from the Consumer Advocate's  
13 office is the Consumer Advocate, Meredith Hatfield.

14 I'm going to give you some background on  
15 who we are, how this event works tonight, and the purpose  
16 and what we're trying to accomplish, and there will be a  
17 chance to hear the Company briefly describe its plan.  
18 This docket concerns a request filed by the TDS Companies  
19 on March 1 of 2007 for its subsidiaries, the Wilton,  
20 Hollis, Kearsarge, and Merrimack Telephone Companies,  
21 seeking approval of an alternative regulation plan. That  
22 plan is filed pursuant to legislation passed in 2005, and  
23 amended in 2006, that's now set forth in a new statute RSA  
24 374:3-b.

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1                   In terms of who we are, the term "Public  
2 Utilities Commission" refers to both the 65 employees that  
3 work for the agency, and the three commissioners that make  
4 the decisions in the cases that come before the agency.  
5 The three of us, Commissioner Morrison, myself, and  
6 Commissioner Below, will be acting in the same manner as  
7 judges in this case. And, we are subject to the same  
8 kinds of rules as judges. Most important, we are subject  
9 to what are called "ex parte rules", and this means that  
10 we cannot talk about the merits of an ongoing case with  
11 anyone except when there is notice and opportunity for all  
12 parties to participate. And, there was notice of this  
13 proceeding tonight, and everyone has an opportunity to  
14 speak. And, so, that's an example of where we can hear  
15 what people have to say about what they think we should  
16 decide in a particular case.

17                   As for the process that's used in this  
18 case, it is a formal, judicial style proceeding, that  
19 includes written and oral testimony, discovery,  
20 cross-examination, briefs, and a written decision, that is  
21 subject to rehearing and appeal to the New Hampshire  
22 Supreme Court, similar to what would occur in a typical  
23 civil trial.

24                   At this point in the case, TDS has filed  
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1 its petition asking us to approve it for alternate  
2 regulation. We've held a procedural hearing in Concord on  
3 May 4, 2007, and the procedural hearing is called a  
4 "prehearing conference". It approved a procedural  
5 schedule on May 29th that culminates in hearings in  
6 Concord in the first week of December. And, we scheduled,  
7 along with this, three public statement hearings, and  
8 which tonight is the first of those public statement  
9 hearings.

10 As required by the procedural schedule,  
11 TDS has filed its written testimony, and other parties,  
12 including Staff and the Consumer Advocate, are conducting  
13 discovery, which means that they are asking questions of  
14 the Company, and this will help inform Staff and the  
15 Consumer Advocate in writing their testimony. I want to  
16 emphasize one very important point about the process and  
17 the Commissioners' roles, which is we have formed no  
18 opinion on whether the petition should be approved or  
19 denied, nor should we. Our job is to hear all the  
20 evidence, and then make a decision based on that evidence.

21 And, next, let me try to explain the  
22 purpose of a public statement hearing like this evening.  
23 We're trying to accomplish a couple of things. First, TDS  
24 Companies will be given time to briefly explain its

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1 proposal. We expect that there are many questions about  
2 the proposal, and we are hopeful that their presentation  
3 will answer many of those questions. However, tonight is  
4 not the occasion to cross-examine them about their  
5 proposal. But my understanding is that the Company is  
6 prepared, after the public statement hearing portion is  
7 complete, and Commissioner Morrison and I have left, to  
8 talk to you and answer some questions you may have.

9                   Second, this is an opportunity for you  
10 to tell us whether you support or oppose the plan, express  
11 your concerns about the proposal, or recommend areas that  
12 you think we should examine. While the statements made  
13 tonight do not constitute the kind of evidence on which we  
14 can base a decision, the types of comments we would hear  
15 this evening typically are helpful in identifying areas  
16 that need further investigation and can help Staff and the  
17 Consumer Advocate in making their discovery requests, and  
18 that it will be helpful to us in questions that we may ask  
19 of the Company during the hearings in December.

20                   If you'd like to speak tonight, I think  
21 Ms. Ross and Mr. Chattopadhyay have handed out sign-up  
22 sheets. If anyone would still want to speak, I think we  
23 have some up here, if you -- Ms. Ross, if you raise your  
24 hand, Ms. Ross can get you a sign-up sheet and she can

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1 just hand those in, and I'm going to call on people just  
2 in the order that they arrive on the table. We have a  
3 stenographer who will be recording the comments. So, we  
4 ask that you just speak clearly and give your name, so he  
5 can record it for the record.

6 I think that covers all of my  
7 introductory materials. So, I guess I would ask Mr. Reed  
8 to give his presentation on behalf of TDS.

9 MR. REED: Good evening. I'm Mike Reed,  
10 from TDS Telecom. My title is "Manager of State  
11 Government Affairs", and that simply means I do the  
12 regulatory and legislative work in a few states, New  
13 Hampshire being one of them. My office is in Vermont.  
14 With me tonight is Deborah Martone. She's also a State  
15 Government Affairs Manager, she's up -- her office is in  
16 Contoocook. And, Mark Violette is the Manager of Market  
17 Management. His office is also in Contoocook. So, I do  
18 several states.

19 As Chairman Getz pointed out, Wilton  
20 Telephone Company, Hollis Telephone Company, Kearsarge  
21 Telephone Company, and Merrimack County Telephone Company  
22 have petitioned the PUC for approval of an alternative  
23 form of regulation pursuant to the RSA he mentioned,  
24 374:3-b. That RSA has been in effect since about the  
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1 middle of last year, July 21st. We are going to be the  
2 first small incumbent carriers that have petitioned the  
3 Commission for a change in regulation under this statute.

4 I thought maybe the easiest way to do a  
5 brief presentation was to take the highlights of that  
6 statute and explain how the plan addresses those statutes,  
7 and see if that's a -- at least is a somewhat brief  
8 explanation. RSA 374:3-b simply states that a small ILEC  
9 may petition the PUC, Public Utilities Commission, for an  
10 alternative form of regulation such that the incumbent  
11 exchange -- local exchange company, that's the Wilton  
12 Telephone Company, operations will be regulated comparable  
13 to a competitive local exchange carrier. So, the  
14 competitive local exchange carriers have a different level  
15 of regulation than the traditional monopoly companies as  
16 we knew them. So, this statute brings -- attempts to  
17 bring the incumbent local exchange carriers to the same  
18 level as a competitive local exchange company.

19 I think it's important to point out that  
20 that doesn't include wireless companies, that doesn't  
21 include the Voice-over IP, Vonage-type companies, or even  
22 the cable companies, as they are not regulated by the  
23 Public Utilities Commission. So, this doesn't bring us to  
24 the level of regulation that they're at, but at least a  
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1 less layer of regulation.

2 Our petition and our proposed plan  
3 provides detail of the regulations that we think should be  
4 altered or changed to meet that requirement. That's all  
5 part of our filing. Part two of RSA 374:3-b states that  
6 the PUC shall approve our petition based on five -- if we  
7 meet five different criteria. The key to finding -- the  
8 key, a key to this finding is that competitive wireline,  
9 wireless, or broadband service is available to the  
10 majority of the customers in each of our exchanges.  
11 Wilton is a single exchange company, so we need to provide  
12 information to the Commission that shows that competitive  
13 wireline, wireless, or broadband is available to the  
14 majority of the customers in the Wilton Telephone Company.  
15 I'm not sure if anyone's from Hollis, but it would be the  
16 same for the Hollis Telephone Company.

17 As I said, we provided that detail to  
18 the Commission, along with the impacts that TDS or the  
19 Wilton Telephone Company is experiencing from these  
20 competitors. We provided that as additional information.  
21 And, they're continuing to review that information and  
22 evaluate and ask us some additional questions.

23 The second thing, and I think this is a  
24 key, particularly, when I read some of the press coverage,  
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1 is "provide that the maximum basic local service rates do  
2 not exceed the largest incumbent telephone company in the  
3 state", which right now is Verizon, and that those  
4 increases -- that there are no increases that exceed  
5 10 percent a year. We have not proposed a rate increase,  
6 nor do we intend on having a rate increase. That's not  
7 the purpose of this filing. The purpose of the  
8 legislation and the filing is to give us flexibility to  
9 raise and lower our rates to meet our competition, to  
10 bundle our rates with our various products and services.  
11 But, should we find that we need to raise rates, the  
12 Legislature put restrictions on that or safeguards, if you  
13 will, or caps, that we can't go above the known existing  
14 incumbent rate in this state. So, it's a safeguard. A  
15 rate increase is not part of our proposal here. It is not  
16 part of our petition with the Commission.

17 Another part of the plan, and I just  
18 want to mention, bundling of a product, being able to  
19 bundle our basic local exchange service with other  
20 products that we sell, DSL and so on, is a key part of  
21 competing. Another part is, we must promote offering  
22 innovative services in the state. TDS has a good record  
23 of providing customers what they want and need. And, this  
24 plan is going to ensure that we continue to do that.

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1 Another part of this plan, in Section (d), is we have to  
2 meet our intercarrier obligations. What that means is, if  
3 AT&T or Comcast wants to interconnect with us or need us  
4 to share, we have certain responsibilities. Our filing  
5 with the Commission ensures that we meet those  
6 responsibilities.

7 A very important part of this plan, and,  
8 again, I think I read this in some of the press coverages,  
9 preserves universal access to basic telephone services.  
10 This is a key element in 374. The commitment in our plan  
11 and the commitment in RSA 374:3-b says we need to  
12 continue, we must continue to provide affordable basic  
13 service to every customer within our service footprint.  
14 Just because it's a competitive market, doesn't mean we're  
15 going to serve downtown Wilton, and the folks that live  
16 outside of town, well, they will have to find it. We will  
17 continue to provide that at an affordable level. Again,  
18 that gets back to the safeguards that we put in there on  
19 any rate changes.

20 Last, but a very important section of  
21 RSA 374, states "The plan provides that if the small  
22 incumbent local exchange carrier operating under the plan  
23 fails to meet any of the conditions set out in this  
24 section, the PUC may require the small ILEC to propose  
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1 modifications or return to our original form of rate of  
2 return regulation. So, if we don't meet these criteria,  
3 the plan and the statute allows the Commission to bring us  
4 back in and say "You guys didn't do a good job. You're  
5 back under rate of return regulation. Again, it's a  
6 another safeguard.

7 So, the goals of the plan set forth the  
8 regulatory requirements applicable to the Company's retail  
9 operations that are comparable to the regulation the  
10 Commission applies to competitive local exchange carriers,  
11 ensure that a higher level of service continues to be  
12 provided to the Company's customers, while maintaining a  
13 network that meets the customers needs, and allows them to  
14 have access to innovative services, facilitate the  
15 transition, excuse me, to a competitive telecommunications  
16 market in the Company's territory, including satisfaction  
17 of the Company's intercarrier service obligations,  
18 preserve universal service by maintaining the Company's  
19 status as "carrier-of-last-resort", that's what we call  
20 it. We will serve every customer in our exchange  
21 territory, and make sure that they have access to  
22 affordable basic telephone service.

23 In summary, we're facing a significant  
24 competitive environment in New Hampshire from competition

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1 that we really barely contemplated just a few years ago.  
2 You know, the explosion of the wireless market, people  
3 using Voice-over IP, the Vonage-type people, or access to  
4 broadband services through other providers like the cable  
5 providers. This competition is growing daily. We're  
6 certainly experiencing the effects of that competition  
7 through loss of customers. And, customers using other  
8 uses, other networks besides our own to make their long  
9 distance calls, access the Internet, send e-mail. They  
10 may not use our network at all. We are experiencing these  
11 losses.

12 We've asked for a reduction of  
13 traditional regulation that somehow matches the  
14 competition that we're experiencing. We have not asked  
15 for no regulation. We have not asked for deregulation.  
16 We've asked for a lessening of regulation to match the  
17 competition that's out there today. RSA 374 and our plan  
18 that we filed with the Commission have built in safeguards  
19 to ensure that rate levels, service, and all customers  
20 will be continued to be served as we do today.

21 And, finally, the PUC, there's that one  
22 final safeguard. If we're not meeting these commitments,  
23 the Commission can remove this plan and put us back to our  
24 traditional regulation. Thank you.

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1                   CHAIRMAN GETZ: Thank you. The first  
2 speaker I have is Darleen Durfee Uhlir.

3                   MS. UHLIR: First of all, thank you very  
4 much for holding this hearing. And, thank you, gentlemen,  
5 for being here. Thank you, sir. Thank you. Appreciate  
6 your part, I wasn't sure we were going to hear anything  
7 from TDS today. I appreciate the dial tone service that  
8 TDS provides us. I work for a small company here in  
9 downtown Wilton called "Souhegan Wood Products". And, I  
10 appreciate their professional service people that are  
11 typically heroic when something goes wrong. Thank you.  
12 We all want to grow our small businesses. Souhegan Wood  
13 Products certainly does. And, so does TDS, I'm sure.

14                   I'd like to speak to the issue of  
15 service. I came here under the guise of they are asking  
16 for a 40 percent increase over the next four years. Am I  
17 correct in that?

18                   MR. REED: No.

19                   MS. UHLIR: No. Okay. Well, I wish to  
20 speak with the rate increase, which was published in the  
21 Manchester Union Leader. And, the issue is service. It  
22 seems that recently they have closed their walk-in  
23 service, which was here in downtown Wilton. And, we've  
24 been strongly encouraged to use a call center in a distant

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1 land. We feel that service has diminished in that way.  
2 When it comes to equipment, and when problems arise, them  
3 seem to come relatively promptly. They seem to be very  
4 reasonable about that. However, they have been unable to  
5 repair or fix the problems that we feel they, themselves,  
6 have created.

7 Their solutions for fixing the problems  
8 have, in our opinion, been somewhat predatory and  
9 opportunistic. The solutions they do provide come with a  
10 built-in condition that seems to perpetuate this mode of  
11 operation. I find it frightening that TDS is the only  
12 service provider of dial tone in Wilton. And, they wish  
13 to raise their rates to the fullest extent allowed by RSA  
14 374:3-b. I don't know why TDS finds it necessary to raise  
15 rates to such an extent, as what I believed was and was  
16 published in the Manchester Union Leader as being  
17 40 percent over the next four years, unless, you know, it  
18 is to get money from the customers.

19 The median income in Wilton, New  
20 Hampshire is 54,276. Now, of course, that means that half  
21 the population of Wilton is more than that, but what has  
22 me concerned is the population -- half the population  
23 makes less than that. He spoke an awful lot about  
24 affordability. I'm not seeing how affordability can come  
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1 out of this, for our friends and neighbors who make less  
2 than \$54,000 a year. Also, the gentleman spoke to  
3 competition, and them having to try to meet their  
4 competitors' rates, as far as bringing their rates up to  
5 the competitors' rates.

6 Quite frankly, I don't see where there  
7 are any competitors that offer a landline service that our  
8 small company is absolutely dependent on. I would like a  
9 list of those competitors. I'd like to be able to call  
10 around and get, you know, a competitive rate. And, as far  
11 as -- let's see. I would like to know when the last time  
12 they lowered rates. He spoke to the flexibility of being  
13 able to raise and lower them. I would like to know if  
14 he's ever lowered rates. And, if he has, by -- or, if TDS  
15 has lowered rates, if they have, but how much? As far as  
16 his wanting to bundle the services that TDS offers, I  
17 find, personally, that it's very important to itemize my  
18 bills, whether it be phone bills, hospital bills. I  
19 appreciate the itemization and not bundling the services  
20 together.

21 As far as his ability to want to do --  
22 as far as TDS's ability to want to connect to third party  
23 phone companies, I've had personal experience and have  
24 been very disempowered when it comes to having our local  
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1 phone service connect to a third party. Because it seems  
2 that I personally cannot speak to that third party,  
3 because I personally am not a customer of that third  
4 party. And, so, I am forced to deal with our local phone  
5 company, who, at times, has been ineffective.

6 I appreciate your time. Thank you.

7 CHAIRMAN GETZ: Thank you. Natalie  
8 Hodgen.

9 MS. HODGEN: Good evening. I'm Natalie  
10 Hodgen. I live in Wilton. And, I've been a customer of  
11 Wilton Telephone since 1994. Can you hear me? That  
12 better? And, I live in the house that my husband built in  
13 1947. And, we rely on our telephone to keep in touch with  
14 our friends, with our relatives, and with old people far  
15 away. And, we also have a rotary phone, in case  
16 electricity goes off, our phone is gone too. So, we don't  
17 have a cellphone and we don't plan to get one. We rely on  
18 basic service being offered at reasonable rates. We're  
19 not interested in bundles of different services. And, I  
20 know things are getting more expensive everywhere, but we  
21 don't see why a company should be allowed to set its own  
22 rates.

23 And, we did have TDS internet service,  
24 but that got too expensive, so we had to stop that. And,  
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1 we are concerned that, if this plan is approved, the  
2 Company will be able to raise rates on its own. So, who  
3 looks out for the customers? What is our recourse if the  
4 rates go up? None. Thank you for being able to speak to  
5 you.

6 CHAIRMAN GETZ: Thank you. Andrea  
7 Sbona.

8 MS. SBONA: She covered a lot of my  
9 questions. So, I'm going to try and keep it, I do have a  
10 few more though, and kind of following on what the lady  
11 earlier said. When I moved to this town a year ago I was  
12 flabbergasted when I went to get phone service, and was  
13 told that the only choice I had was TDS. I came from  
14 Massachusetts, where I had choices, and called my prior  
15 phone company, said I wanted to change my service. And,  
16 they told me "we don't service the area." My jaw dropped.  
17 I said "Excuse me?" "We don't service that area." "Who  
18 does?" "TDS." "Who else?" "No one." I was shocked.

19 I'm from the area originally, but had  
20 never realized the Wilton Phone Company went to TDS and  
21 was a monopoly. And, as far as I know, I don't think  
22 that's fair. I thought the whole thing about competition  
23 was to truly have competition. It's not competition if,  
24 when I move to this town, I have one choice. And, that

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1 choice is more expensive than what I just left for  
2 comparable features.

3 I do own a cellphone. I've kept my  
4 cellphone. I'm contemplating that, if the rates go up,  
5 why should I keep my landline? What's the point? I'm  
6 paying almost as much for a landline as I'm paying for two  
7 cellphones, where I can call from anywhere in the country  
8 for comparable rates. That, to me, is just crazy. It  
9 makes my decision real easy on what I'm going to do.

10 Like several people -- many people in  
11 this Town, and I'll speak for my mom, who is third  
12 generation, I'm fourth generation, she's on a fixed  
13 income. How are they going to afford, if rates go up, and  
14 I'll use the word "if", they're saying they're not going  
15 to, but, whenever you change a regulation, that means they  
16 want to. Past history proves it. Even if it's regulated  
17 to 10 percent, which is the maximum that they can do in a  
18 year, they can go to 10 percent, they can go to 9 percent,  
19 and there's nothing to stop them from continuing to do  
20 that for X number of years. Might only be five percent.  
21 But, even if it's only 5 percent over four years, we're  
22 talking 20 percent increase to people on a fixed income.

23 I have a partial fixed income. My  
24 husband is retired. So, I'm looking at the money. I also  
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1 just recently lost my job. So, anyone that's in this  
2 economy, and we know the economy is tough, if you're on a  
3 fixed income or you have a bad opportunity where you lose  
4 your job, what do you do? I'm looking at cutting costs  
5 right now, and now I'm facing the possibility of having  
6 them raised on me. So, I'm really concerned about that.  
7 And, how they -- the Company can justify a rate hike, if  
8 there is no competition. You've got a captive market  
9 already. And, frankly, there's nothing to stop me that,  
10 if they do that, from just totally taking out a landline  
11 and going with the cellphone. So, that means they have  
12 lost more customers, because they are going to raise the  
13 rates, and people are going to look at alternatives. What  
14 else can I do? And, frankly, there is a cellphone. I  
15 don't need a landline.

16 So, I'm, obviously, opposed, that was  
17 part of -- the first part of this was "are you for or  
18 opposed?" I'm opposed if it's tied to a rate hike. I'm  
19 opposed to the fact that there's no competition in this  
20 town. Period. I do appreciate the time that everybody  
21 took to speak and give us the information. And, I think  
22 this forum is good so that people can say what's on their  
23 minds, and so that you can take that information and  
24 hopefully make a sound decision. Thank you.

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1                   CHAIRMAN GETZ: Thank you. Lois Kenick.

2                   MS. KENICK: Well, I guess I better go  
3 on record as saying I'm opposed to a change in the  
4 regulatory level, for a number of reasons. Number one,  
5 this area has a lot of senior citizens who do not  
6 understand cellphone technology and who are dependent on a  
7 landline. I'm the primary caregiver for my 97 year old  
8 mother, and she wears around her neck something that calls  
9 in a company, which then calls me. That does not work  
10 with wireless. So, the large numbers of seniors that we  
11 have here, who are trying to stay in their own homes, who  
12 are trying to use technology or whose children are trying  
13 to use technology to assist them, would find ourselves in  
14 a monopoly, find ourselves in a grip, because we have no  
15 place to go. The previous speaker can go to wireless, my  
16 mother cannot, and nor can anyone else in her situation.  
17 So, that she is in the grip of a monopoly. And, I am in  
18 favor of the rules which govern, what do they call them in  
19 economics, public monopolies, staying under regulations of  
20 that sort.

21                   The second thing I have to say is that  
22 anybody is already enabled to lower their rates, if they  
23 want to. But I have never seen a company that was enabled  
24 to raise their rates that didn't. So, I find that

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1       questionable.

2                       Again, the fixed income deal, my mom has  
3       already seen over \$800 a year increase in her health  
4       insurance costs. And, she's on a real fixed income. And,  
5       another increase in whatever she does or whatever she  
6       needs is going to put her in an untenable situation.

7                       Third, the matter of bundling. I've  
8       just started watching TV. I don't know why. It doesn't  
9       really seem like a useful pastime. But it has been  
10      educational. And, sometimes I hear on the radio, as I'm  
11      driving to work, I hear the gentleman from TDS mention  
12      "Comcast" and "bundling". And, Comcast says that, for  
13      33.33 a month, I can get TV and Internet and telephone, or  
14      something like that. And, it's bundled. But the key is,  
15      if you listen to the guy, the voice after the ad, the one  
16      that sounds like Father Guido's Ten Second University, he  
17      goes on to say that "You have to buy it all. That you  
18      have to take a contract for a certain amount of time."  
19      That you're all this, that, and the other thing. One of  
20      the advantages to me for TDS is that they don't bundle.  
21      Now, and I'm willing to pay a premium for that. And, with  
22      my DSL line, I am paying a premium for that already. And,  
23      I need a DSL line for the work I do.

24                       So, those are my primary reasons. I'm  
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1       sure, now that I know, and I only learned about this  
2       hearing yesterday, now that I know about the filing, I  
3       will probably read the entire filing, and I'll have some  
4       more to say later, because I'm like that. Thank you.

5                       CHAIRMAN GETZ: Thank you. Douglas St.  
6       Clair.

7                       MR. ST. CLAIR: I guess I came first  
8       under a false expectation with regard to the major issue,  
9       which is a rate increase. That's been avoided by not  
10      mentioning a rate increase in this particular filing. If  
11      a company experiences competition, you usually lower your  
12      rates or your costs to make those competitive with the  
13      people around you. It seems counterintuitive to say  
14      "we're experiencing competition, and we may want to raise  
15      rates." That just doesn't make sense to me. Coming in  
16      here and telling me that "we're experiencing competition,  
17      and to keep them out, both away from the door, we want to  
18      cut your rates 40 percent", I'd not only endorse that, it  
19      would make sense to me.

20                      The other things that are unclear is the  
21      nature of the competition they're experiencing. I don't  
22      see what it is. We have one telephone company in town.  
23      We have one source of landlines and one source of service.  
24      So, if they're experiencing competition, you know, it

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1       isn't there. People have mentioned the problems of  
2       cellphones. I can't speak to -- I have a cellphone,  
3       because I need it when I'm on the road, because I'm  
4       medically fragile. But I find that my cellphone doesn't  
5       work in my part of Wilton. And, I know that I wasn't able  
6       to purchase cellphone coverage a few years ago, because  
7       people weren't able to provide full coverage in Wilton.  
8       So, it's not clear to what degree cellphones are a  
9       competitive vehicle in this particular town. I don't know  
10      about Hollis and the other towns.

11                               And, finally, when it comes to retaining  
12      a landline, like she mentioned with her mother, that  
13      clicker, I make it a point to the town police that put  
14      together something called "Wake up Wilton", which, if you  
15      lived alone and are medically fragile, you check in with  
16      dispatch or the administration people downtown on a daily  
17      basis, which I do. I can't replace that with Voice-over  
18      IP and I can't replace that with wireless, because of the  
19      difficulty with 911. I need effectively a 911 service.  
20      And, whether or not this thing goes through, I'd like to  
21      suggest that we've got to find a way for people, elderly  
22      and people like myself, to reach 911 or, you know, with  
23      some basic minimal service until wireless is ubiquitous  
24      and until Voice-over IP offers that service. Something  
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1 has to be done in that regard.

2 And, I guess that takes care of most of  
3 my problems. Thank you for your time.

4 CHAIRMAN GETZ: Thank you.

5 MR. ST. CLAIR: Thank you for your  
6 presentation.

7 CHAIRMAN GETZ: Chase Stilson Roeper.

8 MS. ROEPER: It's Wilson, Chase Wilson  
9 Roeper.

10 CHAIRMAN GETZ: Oh. Sorry.

11 MS. ROEPER: I am a little confused,  
12 because the phone company has always been known as "TDS".  
13 And, everything we've ever done has been with TDS. And,  
14 now they're filing to have regulation changes for this  
15 company and that company and this company and that  
16 company, it's kind of disingenuous. I also am very  
17 concerned, because those of us who live in Lyndeborough  
18 are just like those of us who live in Wilton, we only have  
19 one company. We have no choice at all. And, so, I find  
20 it deeply disturbing that there's even a thought that a  
21 monopoly should exist, let alone that it should be allowed  
22 to deregulate.

23 CHAIRMAN GETZ: Thank you. John  
24 Shepardson.

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1                   MR. SHEPARDSON: A lot of the things  
2                   that I had in mind have already been covered. So, I won't  
3                   duplicate that. And, one point that hasn't been mentioned  
4                   is I think I'm already bundled, because I have DSL, and I  
5                   get one bill. And, the agreement I signed on that I  
6                   believe has an early termination penalty. Which means  
7                   that I can't go to a competitor under any circumstances,  
8                   because it's going to cost me hundreds of bucks. That's  
9                   not competition. The competition idea here is -- it's  
10                  pretty tenuous. And, I guess what I would ask is that, if  
11                  this change goes through, that at least the early  
12                  termination penalties in the agreements that have already  
13                  been signed should be voided, at least that. Thank you.

14                 CHAIRMAN GETZ: Thank you. Robert  
15                  Labelednick. "Labelednick"?

16                 MR. LABEDNICK: "Labelednick". First of  
17                  all, I want to say that TDS does a decent job. Their line  
18                  crews, I've dealt with them, and I've dealt with several  
19                  people in their organization. And, I think they do a  
20                  fairly decent job. I have no complaints about their  
21                  service. But the problems I do have is the rate increase.  
22                  For the last two years, I've had the opportunity to go to  
23                  another phone company. And, first of all, when I was  
24                  going to go, I was thinking of going with TDS for their  
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1 cable -- their internet service, but I ended up going with  
2 Charter, which is our cable company in Hollis, and because  
3 they had a better rate. And, I can negotiate my rate  
4 every year, depending on what I want and how I bundle it.  
5 They have offered me phone service, which would even cut  
6 my rates down even more. Their rates are \$29 for twice of  
7 what I would get from TDS right now.

8                   The concerns I have is that I'm opposed  
9 to their increase, because we're limited to where we can  
10 call. The only thing Hollis can dial to is Nashua,  
11 Milford, and I forget -- and Hollis itself. What  
12 aggravates me the most is, when I pick up the phone and  
13 have to call a Merrimack number, which is just down the  
14 street, and I get a toll charge. I've talked to the girls  
15 for the last three years of what TDS could do to make it  
16 so that at least we could call Merrimack, because most of  
17 your pages, your cellphones, are all out of Merrimack.

18                   So, with that, I decided to start  
19 looking into cellphones. I have five that I use right now  
20 in the family, because, where I was paying TDS 15, 20  
21 cents a minute to call Arizona, I call Arizona for free  
22 now. And, I call Florida for free, because I'm using  
23 Verizon cellphones. I've even took and took a look at  
24 Verizon happens to be just a mile and a half down the road

1 from where I live. I even thought about stringing a line  
2 over and picking up a telephone number from Verizon,  
3 because I'm so fed up with TDS when it comes to all the  
4 rates they -- all the long distance calls that I have to  
5 pay for to call Merrimack or if I want to call Amherst or  
6 Bedford, depending where it is, I've got to pay a long  
7 distance call.

8 And, I know every phone company is in  
9 trouble right now. And, I support local telephone,  
10 because I believe that you should support the local group.  
11 But, when the rates start getting where you can't do  
12 anything without having long distance calls all the time,  
13 I feel that that's, you know, I've got to do -- I'm going  
14 to do something, and it's coming a lot closer, because I'm  
15 getting too many offers now to go to these private other  
16 companies, at a lower rate, twice the service, and I'm  
17 getting more from them for less money. And, you know,  
18 some of these private companies, you can call through the  
19 whole country at no charge, no long distance charges. So,  
20 that really bugs me. It just bugs -- That's been bugging  
21 me for three or four years now, and knowing I can't call  
22 Merrimack.

23 So, and with that, and every time I call  
24 their office, I get someone in their that's trying to push

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1 more services onto me at more money. You know, I get  
2 Caller ID. Well, if I want the names -- right now Caller  
3 ID is around \$5.00 a month. If I want the names, I've got  
4 to pay another \$2.00 to get the names, which it shouldn't  
5 be. It should be, if you get Caller ID, you should get  
6 the names and everything. Verizon supplies that, with no  
7 problems, with one charge, and not 14 charges more if you  
8 want more on Caller ID or any of that stuff.

9                   So, you know, the way I look at it, if  
10 they -- if this company wants to stay in business, because  
11 I've been through them all where, you know, before TDS, it  
12 was -- I think it was GE or whatever it was, then there  
13 was other companies. And, you know, all of us have been  
14 through about six companies, and TDS bought them out,  
15 bought the last company out. But, like I say, since they  
16 bought them out, the rates have been going up. So, you  
17 can come and tell me that the rates are going to go down  
18 maybe, but they will never go down. You're fooling  
19 yourself if you think that's going to happen.

20                   So, you know, as far as I'm concerned,  
21 I'm opposed to it. I think TDS has got to do a better job  
22 for the local people and try to support -- if they want to  
23 salvage their business, they need to take and do more for  
24 their people, and not start looking for more money.

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1 That's the way I look at it. Thank you.

2 CHAIRMAN GETZ: Thank you. That's all  
3 of the lists that I've been handed. Is there anyone else  
4 that would like to speak before we close for the evening?

5 (No verbal response)

6 CHAIRMAN GETZ: Okay. Then, I just want  
7 to close and say a couple of things. Thank you for coming  
8 out tonight. This is helpful in forming our thinking  
9 about how the case should proceed and what the positions  
10 of the customers are. I would note there's two more  
11 public statement hearings, one October 4th, in North  
12 Sutton, and one October 10th, in Contoocook. So, we'll be  
13 going throughout the service territories. And, the  
14 hearings then are going to begin on December 4th, in  
15 Concord. And, you can check our website, is  
16 [www.puc.nh.gov](http://www.puc.nh.gov), and there will be on the website we'll  
17 have -- you can find information about this case. Sir?

18 MR. ST. CLAIR: If you can't make it to  
19 one of these meetings in December, can you receive e-mail  
20 comments and factor it into the December meetings?

21 CHAIRMAN GETZ: We'll always take public  
22 statements that are filed with us.

23 MR. ST. CLAIR: Okay.

24 CHAIRMAN GETZ: They would have the same

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1 effect as an oral statement tonight. If you want to send  
2 something in, we'll put it in the record. But it's still  
3 -- it has a different category from testimony under oath,  
4 subject to cross-examination.

5 MR. ST. CLAIR: And, how do you file  
6 those written documents, through e-mail or --

7 CHAIRMAN GETZ: E-mail, you can e-mail  
8 it to the Commission, or on our website there's an address  
9 that you can mail it to.

10 MR. ST. CLAIR: Thank you.

11 CHAIRMAN GETZ: Thank you. Ma'am.

12 FROM THE FLOOR: How would we get a copy  
13 of the minutes of this hearing?

14 CHAIRMAN GETZ: The minutes will be  
15 available on our website.

16 FROM THE FLOOR: And, that's at  
17 [www.puc.nh.gov](http://www.puc.nh.gov)?

18 CHAIRMAN GETZ: Yes.

19 FROM THE FLOOR: Thank you.

20 CHAIRMAN GETZ: Okay. If there's no  
21 other questions, then we'll close the public statement  
22 hearing. And, thank you all.

23 (Hearing ended at 7:56 p.m.)

24

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