

August 14, 2015

Jeffrey R. Gaudiosi, Esq. Executive Secretary Public Utilities Regulatory Authority 10 Franklin Square New Britain, CT 06051

Re: Docket No. 15-04-35

Dear Mr. Gaudiosi:

The Voice on the Net Coalition ("VON")¹ submits these brief comments in response to the Notice of Scope of Proceeding issued by the Public Utilities Regulatory Authority (the "Authority") on June 3, 2015 concerning an alternative regulation framework for Frontier Communications of Connecticut. The VON Coalition explains below that the Federal Communications Commission ("FCC") continues to preempt state jurisdiction over providers of Voice over Internet Protocol ("VoIP") services. This was not changed by the FCC's Open Internet Order.

In the Scope of Proceeding memo, the Authority suggests that the FCC's Open Internet

Order supports broadening the scope of the proceeding. In particular, it states that "a consistent framework for application of regulatory authority to all providers is something that has been

¹ The Voice on the Net Coalition consists of companies developing and delivering innovative communications services over the Internet. VON works to advance regulatory policies that enable Americans to take advantage of the full promise and potential of IP communications. VON believes that with the right public policies, Internet based communications applications and services can make talking more affordable, businesses more productive, jobs more plentiful, the Internet more valuable, and Americans more safe and secure. Since its inception, VON has promoted pragmatic policy choices for unleashing the potential of IP communications. See www.von.org.



Voice on the Net Coalition

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sought by many participants." The Authority suggests that this could mean that cable and wireless operators might be subject to the Authority's jurisdiction.

The FCC has recognized a strong federal interest in ensuring that regulation does not hinder the growth of the Internet and the services provided over it, including VoIP and other IP-communications. In the *Vonage Preemption Order*, the FCC preempted the application of Minnesota's "traditional 'telephone company' regulations" to Vonage's Digital Voice service because it was impossible to separate the intrastate and interstate components and the state regulation of the intrastate component interfered with valid federal rules and policies. Eleven years later, this landmark decision remains largely undisturbed and has led to substantial growth in the adoption of VoIP and other IP services. As a result of the *Vonage Preemption Order*, Authority regulation of VoIP providers is preempted by federal law. Nothing the FCC has done since 2004, including the Open Internet Order, has changed that framework. In particular, the Open Internet Order addressed only the federal framework for regulating broadband Internet access service. It did not alter federal (much less state) regulation of either voice services that are provided over last-mile broadband connections or other services--such as voice and video--that broadband providers may offer their customers.

Moreover, there is robust competition in the voice market, making regulation of these services unnecessary. According to the most recent report issued by the FCC, as of December 31,

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² Scope of Proceeding, at p. 3, note 2.

 $^{^3}$ Id

⁴ Memorandum Opinion and Order, *Vonage Holdings Corp. Petition for Declaratory Ruling Concerning an Order of the Minnesota Public Utilities Commission*, 19 FCC Rcd 22404 (2004), *petitions for review denied, Minnesota Pub. Utils. Comm'n v. FCC*, 483 F.3d 570 (8th Cir. 2007).

⁵ The FCC has, however, imposed certain public safety and consumer protection requirements on interconnected VoIP providers, such as a requirement to provide 911 services, protect customer data, report outages and assist law enforcement. There is no federal entry or price regulation of VoIP.



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2013, there are more than 850,000 business and residential access lines served by more than 100 VoIP providers in Connecticut.⁶ The market has thrived without Authority intervention or any negative impact to the public.

Please contact the undersigned if you have any questions.

Respectfully submitted,

Glenn S. Richards Executive Director

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⁶ Local Telephone Competition: Status as of December 31, 2013, Industry Analysis and Technology Division, Wireline Competition Bureau (issued October 2014).