

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

CASE NUMBER 18-0491-PET

JOINT PETITION OF CHAMPLAIN BROADBAND, LLC,
CITY OF BURLINGTON D/B/A BURLINGTON TELECOM,
AND BLUE WATER HOLDINGS LLC FOR APPROVALS,
PURSUANT TO 30 V.S.A. SECTIONS 109, 231, 504,
47 U.S.C SECTION 214(e), AND SECTION 438(c)(1)
OF THE CITY OF BURLINGTON CHARTER

May 9, 2018
7 p.m.

149 Church Street
Burlington, Vermont

Public hearing held before the Vermont Public
Utility Commission, at City Hall, 149 Church Street,
Burlington, Vermont, on May 9, 2018, beginning at 7 p.m.

P R E S E N T

COMMISSION MEMBERS: Anthony Roisman, Chairman
 Sarah Hofmann
 Margaret Cheney

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1 CHAIRMAN ROISMAN: Good evening.
2 Welcome. This is a public hearing in Case Number
3 18-0491-PET which is the Public Utility Commission's
4 investigation into the petition of Champlain
5 Broadband, LLC, the City of Burlington doing business
6 as Burlington Telecom, and Blue Water Holdings, LLC
7 for approval pursuant to 30 V.S.A. Sections 109, 231,
8 504, and 47 U.S.C. Section 214(e) and Section
9 438(c)(1) of the City of Burlington Charter
10 transaction in which Champlain Broadband proposes to
11 acquire Burlington Telecom's assets, and there will
12 be a test later if you can read back the title of
13 this case.

14 My name is Anthony Roisman and I am
15 Chair of the Vermont Public Utility Commission. With
16 me today are Commissioners Margaret Cheney on my
17 right and Sarah Hofmann, as well as members of the
18 Commission staff. There are also representatives of
19 the joint petitioners here, as well as
20 representatives from the Vermont Department of Public
21 Service. They conducted an information session just
22 prior to this public hearing and are available for
23 questions.

24 Late breaking news. This afternoon the
25 Commission granted the petition to intervene filed by

1 Sandra Baird, Jared Carter, Dean Corran, Steven
2 Goodkind, Solveig Overby, and Shay Totten. So they
3 are now parties to this proceeding. Tonight's
4 hearing is for the purpose of non-parties to raise
5 issues that you would like the Commission to consider
6 in the course of making its decision in this case.
7 We want to make sure that any member of the public
8 who has something to say has an opportunity to say it
9 this evening, and these public comments do not become
10 part of the formal evidence in this case, but they
11 are helpful in raising new issues or perspectives
12 that the Commission should consider.

13 This hearing is being transcribed by a
14 court reporter and it will be available when we get
15 the transcript on the electronic data base maintained
16 by the Commission called ePUC. It's the Commission's
17 electronic case management system. We have passed
18 out information to all of you that describes how you
19 can participate in this proceeding by watching
20 through ePUC every piece of paper that's filed by any
21 party in the proceeding, copies of transcripts of
22 this proceeding and of any hearings that are held in
23 this case.

24 If you wish to speak, please write your
25 name on one of the sign-up sheets that's circulating

1 around the room. This will assist the court reporter
2 with the correct spelling of your name and to help
3 make the process more orderly.

4 Today's hearing is not the only
5 opportunity to submit comments. You can provide
6 written comments using ePUC or by mail or e-mail to
7 the Commission at our offices in Montpelier. The
8 contact information is also provided on the handout
9 available to you. Please reference the number of the
10 case 18-0491-PET. You need not repeat the full title
11 of the case.

12 In addition to submitting public
13 comments, certain persons may wish to intervene in
14 this case so that they may participate as formal
15 parties. As I mentioned at the outset, a number of
16 individuals working together as a group have
17 petitioned to intervene and their intervention has
18 been approved, but further petitions to intervene may
19 be filed with the Commission, and the procedures for
20 doing that are also set out in the Commission's web
21 site where you can go to get information or even call
22 the Commission's office. The deadline for filing
23 petitions to intervene is May the 16th at 4:30 in the
24 afternoon, and you can file that in paper or if you
25 prefer, we do prefer, you could use the ePUC system

1 for filing electronically. You can use that
2 electronic system. It automatically takes care of
3 providing notice of any piece of paper that you file
4 in the case to all the other parties in the case and
5 you don't have to make a service of them through the
6 mail or e-mail.

7 The procedural schedule for this
8 investigation is printed on the back of the
9 Commission's handout. That is a tentative schedule
10 that we have set based upon the participation so far
11 of the parties and proposed parties that appeared at
12 a prehearing conference that we held several weeks
13 ago. That schedule might be changed based upon input
14 from others or new petitions to intervene or both.

15 Over the course of this investigation
16 the Commission may direct the petitioners to respond
17 to the issues that you raise at this hearing. At
18 various points in this proceeding the Commission will
19 also ask questions that may be based on your
20 comments. When the Commission rules on whether to
21 approve the proposed transaction we will issue a
22 written opinion that addresses the issues raised by
23 the public and that explains the basis for the
24 Commission's ruling. We'll now open the floor to
25 public comment. If you would like to speak, please

1 step forward to this microphone and I'm advised in
2 order to be recorded properly you should speak close
3 to the microphone. We have two names already.

4 COMMISSIONER HOFMANN: We do have two
5 names already, but if you would like to sign up,
6 Elizabeth Schilling over here has a clipboard that
7 you can sign on.

8 CHAIRMAN ROISMAN: All right. So
9 Barbara Wynroth. Thank you very much.

10 MS. WYNROTH: Burlington Telecom is
11 really part of the wealth of this city and to ignore
12 that is to be a deficit to our city. We'll lose it.
13 I have just moved about a week ago and I had
14 Burlington Telecom for a year. I was very happy with
15 it and I wanted it to stay that way and I know that
16 it won't if a corporation takes over because I've
17 seen it many times over the many years. For example,
18 I just called up Comcast to try to get a land phone
19 and whoever answered said oh yes we have that it's
20 \$14 a month, and I said \$14, and she said oh no wait
21 a minute because I have to ask something from someone
22 here. So she's gone for quite a while, comes back
23 and says oh I'm terribly sorry, but I quoted it
24 wrong. It's \$44 a month and I said okay the way I
25 explained it before is this the same as my

1 explanation was that you're referring to, and I said
2 well is to plug it just into an outlet and into your
3 phone simply the way it has been done. Oh yes, yes,
4 yes. Okay. Oh sorry, wait a minute, I have to speak
5 to someone else. Then she comes back and she says
6 well it takes a modem to do that and it will be \$44
7 plus \$10 a month plus taxes and it amounts to \$70 a
8 month, and so this was not the first person I spoke
9 to because I got answers like oh anything you want,
10 anything you want, and I felt like saying yeah the
11 Brooklyn Bridge because, you know, obviously I didn't
12 know too much about technology because I was asking
13 for a land phone, and so this is the response I got.

14 Then I called another, Consolidated,
15 which is going to be down the street here. I
16 couldn't even get through. Their doors were locked
17 so I couldn't go over and present myself personally,
18 and then when I finally did they had no such thing.
19 So anyhow -- and I even said well I'm going to start
20 with a phone, but I may take internet too and so that
21 perked up their ears, but I got nowhere with anybody
22 and I can see that happening here in Burlington where
23 we had something that was really good. I would like
24 to see it come back and to have it as a co-op so we
25 could all have a chance for something good and the

1 city will have some of their wealth back by that.

2 Thank you very much.

3 CHAIRMAN ROISMAN: Thank you. Our next
4 speaker is Stuart Warshaw.

5 MR. WARSHAW: Hi. I'm a resident of
6 Burlington. I'm a customer of Burlington Telecom.
7 The only thing I would love to see is a current set
8 of financial statements of Burlington Telecom. It
9 seems like nobody really has seen what the earnings
10 are or what the financial condition of the company
11 is. The other thing is it would be great if in
12 looking at this you take a look at the value of
13 Burlington Telecom relative to the rest of the market
14 value of the comparable company today, and also
15 consider what's happening today and what its future
16 value could really be because it is an incredible
17 asset and it is great to keep it in this city, and
18 then there's the issue of net neutrality and I think
19 Burlington certainly cares an enormous amount of
20 keeping net neutrality. So that's my only request in
21 this process. Thank you.

22 CHAIRMAN ROISMAN: Thank you. Next
23 Louise Brill.

24 MS. BRILL: Good evening.

25 CHAIRMAN ROISMAN: Good evening.

1 MS. BRILL: My name is Louise Brill.
2 I'm a property owner in Burlington. I pay more than
3 \$8,000 a year in property taxes and that \$15 million
4 dollar figure that needs to come back to the citizens
5 of Burlington. I'm also a Burlington Telecom
6 customer; highly satisfied. When you call them up
7 with any complaint or anything that needs fixing they
8 have answers right away. They are easy to reach and
9 I've been quite impressed with them. I also am
10 concerned about utilities becoming monopolized across
11 the United States. That's happening everywhere.
12 There are bigger and bigger companies and we have a
13 jewel right here in Burlington. We have a real
14 jewel. We own our own telephone company and internet
15 company, and to let that go for a song is a shame.
16 We need to keep Burlington Telecom local. Thank you
17 very much.

18 CHAIRMAN ROISMAN: Thank you. Louise
19 Andrews.

20 MS. ANDREWS: Hello. I'm a resident of
21 Burlington and I'm a telecom customer and actually I
22 was a Burlington Telecom owner before this deal was
23 made. I was very proud that the company belonged to
24 me and the other residents of the City of Burlington.
25 Local control is very important to me, and I have the

1 same pride in the Burlington community ownership of
2 Burlington Telecom that I do with the co-op
3 Burlington Electric Department. Local control is
4 really important and I agree with the previous
5 speaker in terms of being concerned of all the
6 combining of companies. It concerned me a little bit
7 with the presentation earlier that while they say
8 they are local, they like to work with local
9 companies and keep the local names. Well that's been
10 a shell game for many years in terms of companies,
11 you know, having one name, big company, and then all
12 these other small names you find out belong to the
13 same monopoly. So I think I'm very upset that my
14 ownership was given away and I didn't have a say.

15 CHAIRMAN ROISMAN: Thank you. Do we
16 have any other people who would like to speak? Two
17 people just came in. Would you just check and see if
18 either of them want to speak? Claire Leonard.

19 MS. LEONARD: Hi. I've been a resident
20 of Burlington since 2002 and a Burlington Telecom
21 customer for as long as I've been able to. I just
22 wanted to say that when I talk to friends and family
23 members and people of the benefits of living in
24 Burlington I say lake view, mountains are beautiful,
25 it's walkable, it's wonderful, but one of the top

1 things I mention is how lucky we are -- we were I
2 suppose -- to have a municipal telecom, and people;
3 loved ones, friends, and family from other places are
4 astonished that we have or had a local broadband
5 company that didn't have to deal with a duopoly or
6 terrible customer service from a giant company, and
7 I'm going to mourn that loss because it is a
8 fundamental loss and I wish there was something we
9 could do to keep it local, to keep it a municipal
10 telecom, and, if not, get real lasting assurances
11 that principles like net neutrality will be
12 preserved.

13 I've read a number of -- a number of --
14 what comes to mind is an op-ed written by -- I don't
15 know exactly -- the official in Concord,
16 Massachusetts speaking about how the best work to
17 preserve net neutrality is local ownership and
18 municipal telecom, and when I read that I really did
19 mourn because that is something that Burlington has
20 and not many places do and really is a fundamental
21 benefit to living here, and I don't know if anything
22 can be done to preserve Burlington Telecom as it is,
23 and if there isn't anything that can be done, I would
24 just love to see some assurance that the values of
25 the municipal telecom are still held going forward in

1 whatever form this takes, but I really am in mourning
2 for the loss of the municipal telecom that has been
3 wonderful I think to the citizens of Burlington.

4 CHAIRMAN ROISMAN: Thank you. Joanna
5 Rankin.

6 MS. RANKIN: Thank you for this
7 opportunity to speak before you. I think that I was
8 one of the very first subscribers to Burlington
9 Telecom in our part of the city and we eagerly waited
10 for the fiber to come down our street, and once fiber
11 was installed we slowly became prouder and prouder
12 that Burlington had its own telecom company. We have
13 an electric department, why shouldn't we have local
14 telecom services, and so it was later a shock when
15 the City Council made the decision that it did. It
16 didn't seem to be a very well motivated or even
17 proper decision to be sort of made behind or aside or
18 something of that sort, and so -- and what led up to
19 that I found very disturbing that people were talking
20 about cooperatives as being unreliable, and that if
21 it didn't fall in the hands of a for-profit company
22 perhaps the city would be sued and all sorts of stuff
23 like that was floating around it seemed to me from
24 reading documents at the time of the decision.

25 I would hope that the Public Service

1 Board would be very judicious in defending the idea
2 that Vermont residents should have the prerogative to
3 configure their affairs with utilities -- with local
4 utilities. Other towns have local utilities. Why
5 shouldn't Burlington have a local utility? I
6 strongly urge you to make that kind of decision and
7 to help repair the -- what in my mind from reading
8 the press was a bit of flawed process that got us to
9 this point. Thank you.

10 CHAIRMAN ROISMAN: Thank you. Do we
11 have anybody else who would like to speak? Thank you
12 all very much for coming and for the comments that
13 you have made this evening. As I mentioned at the
14 outset the comments that you have made will be
15 factored into the issues that the Commission
16 explores. They will be addressed in any final
17 decision that the Commission makes. We may pose
18 questions to the petitioners in this proceeding to
19 ask them to address the concerns that you have
20 raised. We take the public's point of view very
21 seriously. We put great emphasis on them. The first
22 name of our organization is Public Utility
23 Commission, and so we will take everything that you
24 have said to us very much to heart.

25 There will be a summary of your comments

1 that will be posted on our web site shortly that you
2 can see and show to others, and as I mentioned at the
3 outset if you have additional comments, you're still
4 welcome to provide those comments to us in writing
5 either by mail, e-mail, or using the ePUC system.

6 COMMISSIONER CHENEY: Just a reminder
7 all the details on how to do that are on that sheet
8 that Andrea has there, and, Andrea, does that also
9 have the remaining steps in this case?

10 MS. POPPITI: Yes.

11 CHAIRMAN ROISMAN: And I think the
12 schedule is on the back of that. Well thank you
13 again. We will have hearings in this case as you
14 will see on the schedule and you are welcome to come
15 to those hearings. Thank you. This public hearing
16 is adjourned.

17 (Whereupon, the proceeding was
18 adjourned at 7:25 p.m.)
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C E R T I F I C A T E

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I, JoAnn Q. Carson, do hereby certify that I recorded by stenographic means the public hearing re: Case Number 18-0491-PET at City Hall, 149 Church Street, Burlington, Vermont, on May 9, 2018, beginning at 7 p.m.

I further certify that the foregoing testimony was taken by me stenographically and thereafter reduced to typewriting, and the foregoing 15 pages are a transcript of the stenograph notes taken by me of the evidence and the proceedings, to the best of my ability.

I further certify that I am not related to any of the parties thereto or their Counsel, and I am in no way interested in the outcome of said cause.

Dated at Burlington, Vermont, this 14th day of May, 2018.

JoAnn Q. Carson
Registered Merit Reporter
Certified Real Time Reporter