

**BATT FISHER PUSCH & ALDERMAN LLP**

ATTORNEYS AND COUNSELORS AT LAW

John R. Hammond Jr.

e-mail: jrh@battfisher.com

May 13, 2010

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2010 MAY 13 PM 4:21  
IDAHO PUBLIC UTILITIES COMMISSION

***Via Hand Delivery***

Jean Jewell, Commission Secretary  
Idaho Public Utilities Commission  
472 W. Washington Street  
P. O. Box 83720  
Boise, Idaho 83720-0074

***Re: Prefiled Direct Testimony of Julie Laine in Support of Application of Time Warner Cable Information Services (Idaho), LLC's For a Certificate of Public Convenience and Necessity, Case No. TIM-T-08-01***

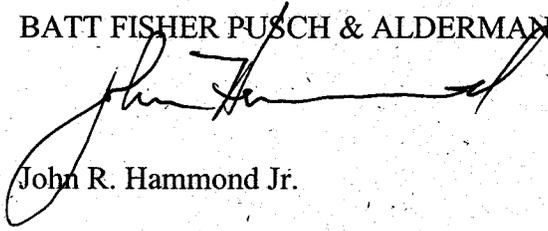
Dear Ms. Jewell:

Enclosed are the original plus nine (9) copies of the Prefiled Direct Testimony of Julie Laine, Group Vice President, Regulatory of Time Warner Cable, in Support of Time Warner Cable Information Services (Idaho), LLC's Application for a Certificate of Public Convenience and Necessity to Provide Competitive Facilities-Based Local and Interexchange Telecommunications Services Within the State of Idaho. Kindly return a file stamped copy of this letter and testimony.

If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

BATT FISHER PUSCH & ALDERMAN LLP

  
John R. Hammond Jr.

JRH:dmh  
Enclosures  
cc: Vin Paladini



1 Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS FOR THE  
2 RECORD.

3 A. My name is Julie Laine and I am Group Vice President, Regulatory of Time Warner  
4 Cable. My business address is 60 Columbus Circle, New York, NY 10023. My  
5 telephone number is (212) 364-8482 and my email address is julie.laine@twcable.com.

6 Q. WHAT ARE YOUR JOB RESPONSIBILITIES?

7 A. I am responsible for legal and regulatory matters relating to Time Warner Cable's voice,  
8 video, and data services.

9 Q. PLEASE GIVE A BRIEF DESCRIPTION OF YOUR BACKGROUND AND  
10 EXPERIENCE.

11 A. I am an attorney who has specialized in the area of communications. I began my law  
12 career as a law clerk in the U.S. District Court for the District of New Jersey and later  
13 served as an Adjunct Professor at the Seton Hall Law School. I then practiced  
14 communications law in private practice in Washington, D.C. for several years. I later  
15 served as an Attorney Advisor in the Policy Division of the Federal Communications  
16 Commission's Common Carrier Bureau, where I worked on issues relating to local  
17 telephone competition, broadband deployment, and telecommunications mergers. I  
18 joined Time Warner Cable in 2002 after working for Net2Phone, Inc., an IP telephony  
19 provider, where I was Associate General Counsel. Prior to becoming Time Warner  
20 Cable's Group Vice President, Regulatory, I was Vice President and Chief Counsel,  
21 Telephony. I received my undergraduate degree from the University of Pennsylvania and  
22 my law degree from the College of William & Mary. I am a recent graduate of the Betsy  
23 Magness Leadership Institute, Women in Cable Telecommunications' flagship executive

1 development program that provides intensive, yearlong training for senior-level women  
2 ready to take on significant leadership responsibilities.

3 Q. PLEASE BRIEFLY DESCRIBE YOUR COMPANY'S CORPORATE STRUCTURE.

4 A. Time Warner Cable Information Services (Idaho), LLC ("TWCIS") is a limited liability  
5 company organized under the laws of the State of Delaware. TWCIS is a wholly owned,  
6 indirect subsidiary of Time Warner Cable Inc. ("TWC").

7 Q. DOES TIME WARNER CABLE INC. HAVE OTHER SUBSIDIARIES OUTSIDE  
8 IDAHO THAT OPERATE AS CERTIFICATED COMPETITIVE LOCAL  
9 EXCHANGE CARRIERS AND OFFER TELECOMMUNICATIONS SERVICES  
10 COMPARABLE TO THOSE THAT TWCIS SEEKS TO INTRODUCE?

11 A. Yes. Time Warner Cable indirectly controls 26 competitive local exchange carriers (*i.e.*,  
12 one in each of 26 different states) that have obtained a certificate of public convenience  
13 and necessity ("CPCN") or an equivalent grant of authority to operate as a local exchange  
14 carrier from the relevant state commission. Those competitive local exchange carriers  
15 obtained such operating authority on the basis of the same types of local  
16 telecommunications services that TWCIS proposes to provide in Idaho. TWCIS also  
17 indirectly controls a subsidiary that has applied for such authority in Illinois, again on the  
18 basis of the same types of local telecommunications services that TWCIS proposes to  
19 provide in Idaho.

20 Q. ARE YOU FAMILIAR WITH THE APPLICATION TIME WARNER CABLE  
21 INFORMATION SERVICES (IDAHO), LLC SUBMITTED TO THIS COMMISSION?

22 A. Yes.

23 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

1 A. The purpose of my testimony is to present evidence concerning TWCIS's application for  
2 a CPCN to provide local telecommunications service and intrastate toll service in Idaho,  
3 to explain that granting the application would benefit the public interest and be consistent  
4 with Idaho state law and policy, and to describe why TWCIS would be unable to enter  
5 the Idaho market, or offer a competitive alternative to entrenched ILEC services, in the  
6 absence of a CPCN.

7 Q. PLEASE DESCRIBE THE SERVICES THAT TWCIS PROPOSES TO PROVIDE IN  
8 IDAHO.

9 A. TWCIS will provide competitive, facilities-based wholesale and retail local intrastate  
10 telecommunications services for compensation within the State of Idaho. Such services  
11 may include point-to-point, private line, access, interconnection and transport services.  
12 In particular, TWCIS's Local Interconnection Service will enable two-way  
13 interconnection between the facilities of TWCIS's customers and the public switched  
14 telephone network ("PSTN"). This service will be offered on a wholesale basis to  
15 facilities-based providers of interconnected VoIP services, and will provide for, among  
16 other things, two-way interactive switched voice communications that will be transported  
17 and terminated in Idaho. Local Interconnection Service also will provide TWCIS's  
18 interconnected VoIP provider customers with access to domestic and international toll  
19 services, operator services, telephone number resources, 911 calling, and related services  
20 and features.

21 Q. DOES TWCIS QUALIFY AS A "TELEPHONE CORPORATION" UNDER IDAHO  
22 STATE LAW?

23 Yes. TWCIS's Local Interconnection Service, in addition to the other services TWCIS  
24 intends to offer in Idaho, falls within the statutory definition of "telecommunication  
25 service" under the Idaho Code. Thus, TWCIS is a "telephone corporation" as defined by

1 Idaho law. Further, TWCIS's Local Interconnection Service should be classified as a  
2 "basic local exchange service" under Idaho Code § 62-603(1). Therefore, to the extent  
3 that Title 61 requires the actual provision of basic local exchange service at the time a  
4 CPCN is granted—a point that that TWCIS does not concede—TWCIS has satisfied that  
5 requirement.

6 Q. HAS THE COMMISSION PREVIOUSLY GRANTED CPCNS TO OTHER  
7 APPLICANTS THAT PROPOSED TO OFFER SERVICES COMPARABLE TO  
8 THOSE PROPOSED BY TWCIS?

9 A. Yes. The Commission has done so on several occasions. For example, in its application  
10 for a CPCN, ALEC Telecom, Inc. ("ALEC") proposed to offer "wholesale switching and  
11 interconnection services to other telephone service providers and similarly-positioned  
12 wholesale business customers."<sup>1</sup> The Commission granted ALEC's request for a CPCN.  
13 Similarly, in its application for a CPCN, Eltopia Communications, LLC ("Eltopia")  
14 represented that it would primarily provide high-speed data services and protocol  
15 conversion services that did not require certification.<sup>2</sup> Yet the Commission granted  
16 Eltopia's application after noting that Eltopia had the capability to provide both voice and  
17 data services over the same trunk, and recognizing the company's desire to maintain the  
18 flexibility to configure its service according to its customers' specifications.<sup>3</sup> While Staff  
19 has attempted to distinguish these applications from that submitted by TWCIS, the fact  
20 remains that, immediately following certification, ALEC and Eltopia provided the same

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1 *See Application of ALEC Telecom, Inc. for a Certificate of Public Convenience and  
Necessity to Provide Local Exchange and Telecommunications Services, Case No. ALE-  
T-09-01, Order No. 30944, at 4-5 (Nov. 13, 2009).*

2 *Application of Eltopia Communications LLC for a Certificate of Public Convenience and  
Necessity to Provide Local Exchange and Telecommunications Services, Case No. ECL-  
T-07-01, Order No. 30442 (Sep. 24, 2007).*

3 *Id.*

1 types of services proposed by TWCIS.<sup>4</sup> Yet, in those cases Staff supported certification.  
2 There is no justification for treating TWCIS differently.

3 Q. IN YOUR OPINION, WILL THE ISSUANCE OF A CERTIFICATE TO TWCIS BE IN  
4 THE PUBLIC INTEREST?

5 A. Yes. A CPCN will enable TWCIS to provide facilities-based wholesale and retail  
6 intrastate telecommunications services to commercial customers in Idaho. These services  
7 will, in turn, be used to make available new and competitive service offerings that will be  
8 available to residential and commercial consumers in Idaho, in furtherance of the public  
9 interest. It is well-established that increased competition leads to lower prices, service  
10 innovation, more responsive customer service, and other benefits that increase consumer  
11 utility and stimulate demand for the services supplied by all providers, including the  
12 ILECs. Moreover, ILECs respond to robust competition by improving the efficiency of  
13 their operations and expanding the market to which they offer their services, ultimately  
14 benefiting consumers and the Idaho economy statewide.

15 Q. DOES THE ESTABLISHED PUBLIC POLICY OF THE STATE OF IDAHO FAVOR  
16 GRANT OF THE REQUESTED CPCN?

17 A. Yes. The Idaho Telecommunications Act of 1988 was enacted in large part to promote  
18 competition in the telecommunications marketplace within Idaho—in recognition of the  
19 many benefits of competition, including those that I have just identified. Consequently,  
20 Title 62 reflects a clear state policy in favor of promoting “effective competition,” *i.e.*,  
21 “substantive and meaningful competition throughout the incumbent telephone  
22 corporation’s local exchange calling area.” *See* Idaho Code § 62-601(2). In fact,

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4 For example, while ALEC represented to the Commission that it planned to provide other services in the future that fell within the category of “basic local exchange service,” the fact remains that it was not providing any retail local exchange service at the time it received a CPCN, thus undercutting any assertion that the provision of such a retail service is a prerequisite to certification.

1 encouraging entry by new service providers, such as TWCIS, is the overriding objective  
2 of the Act—and one that the Commission has broad authority to pursue.

3 Q. DOES ANYTHING IN IDAHO STATE LAW PRECLUDE THE COMMISSION  
4 FROM GRANTING THE REQUESTED CPCN?

5 A. No. Even if TWCIS's Local Interconnection Service were not deemed a basic local  
6 exchange service—which would mean that Idaho Code § 62-604 would exempt TWCIS  
7 from the *requirement* to obtain a CPCN in order to provide this service—nothing in that  
8 exemption forecloses TWCIS from seeking a CPCN on a voluntary basis. As TWCIS  
9 has explained, it is not seeking certification for the purpose of subjecting itself to  
10 burdensome regulations, but rather is seeking a CPCN because such authority is  
11 necessary for TWCIS to enter the Idaho telecommunications market. Nothing in the  
12 Idaho Code compels TWCIS to forego, or the Commission to deny, this vital prerequisite.  
13 In fact, as just explained, clear state law and policy compel the opposite result.

14 Q. WILL TWCIS BE ABLE TO ENTER THE IDAHO MARKET, AND DELIVER THE  
15 PUBLIC INTEREST BENEFITS THAT YOU HAVE DESCRIBED, WITHOUT A  
16 CPCN?

17 A. No. A CPCN is critical to enable TWCIS to obtain inputs and assistance critical to its  
18 ability to operate in Idaho. For example, incumbent LECs will refuse to interconnect  
19 with an entity that does not hold a CPCN granted by the relevant state commission.  
20 Without such interconnection, TWCIS will be unable to complete local telephone calls or  
21 otherwise provide a viable service offering. Therefore, TWCIS's ability to interconnect  
22 with other carriers is a fundamental requirement of its proposed business activities.

23 Q. HAS TWCIS ATTEMPTED TO ENTER INTO ANY INTERCONNECTION  
24 AGREEMENTS WITH INCUMBENT LOCAL EXCHANGE CARRIERS  
25 OPERATING IN IDAHO?

26 A. Yes. TWCIS recently attempted to enter into an interconnection agreement with Verizon,

1 to the point of submitting signed interconnection agreement documents for Verizon to  
2 counter-sign. However, Verizon refused to do so on the grounds that it had not received  
3 the “required certification information” demonstrating that TWCIS holds a CPCN,  
4 making clear its view that the absence of certification made the otherwise-acceptable  
5 interconnection agreement “non-operational.”<sup>5</sup> TWCIS informed Verizon of this  
6 Commission’s ruling that TWCIS did not require a CPCN to obtain interconnection, but  
7 Verizon refused to accept any alternative to a CPCN as sufficient to demonstrate  
8 TWCIS’s entitlement to interconnect as a qualified telecommunications carrier.

9 Q. WILL TWCIS FACE ANY OTHER OBSTACLES IF IT DOES NOT OBTAIN A CPCN  
10 FROM THE COMMISSION?

11 A. Yes. In addition to precluding interconnection, the denial of a CPCN would leave  
12 TWCIS without the ability to obtain telephone numbers, route calls, and obtain other  
13 inputs necessary to operate as a CLEC.<sup>6</sup> For instance, when a carrier requests telephone  
14 number blocks, that entity’s status as a holder of a CPCN is verified by the numbering  
15 authority before number blocks are assigned. Similarly, TWCIS could not be listed in the  
16 Local Exchange Routing Guide, which is essential to routing local calls, without an  
17 Operating Company Number (“OCN”), and the National Exchange Carrier Association  
18 assigns such OCNs only to entities that hold CPCNs. Without an OCN, TWCIS will be  
19 unable to obtain company codes that identify it and permit it to pay and collect access  
20 charges for the traffic it intends to carry or to be listed in industry databases that are  
21 necessary for the provision of service to customers. For example, TWCIS must have a  
22 CPCN to obtain Local Routing Numbers (“LRNs”), which convey essential end user call

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5 *See* Letter from Scott Miles, Contract Management, Verizon Global Wholesale to Mark Swan, Time Warner Cable (Apr. 29, 2010) (attached hereto as Exhibit A).

6 *See, e.g., Telephone Number Requirements for IP-Enabled Services Providers, Report and Order, 22 FCC Rcd 19531, at ¶ 12 (2007) (noting that NANPA “provides numbers only to entities that are licensed or certificated as carriers under the [Federal*

1 routing information. Moreover, to participate in number porting, TWCIS must have an  
2 OCN and provider proof of its CPCN to obtain a Service Provider Identification Number  
3 (“SPID”) from the Number Portability Administration Center (“NPAC”) and register as a  
4 user for the NPAC’s Service Management System (“SMS”).

5 Q. DOES FEDERAL LAW PRECLUDE THE COMMISSION FROM GRANTING THE  
6 REQUESTED CPCN?

7 A. No. To the contrary, the Communications Act of 1934, as amended, establishes a clear  
8 nationwide policy in favor of competition and expressly prohibits state legal requirements  
9 that prohibit or have the effect of prohibiting competitive entry by new service  
10 providers.<sup>7</sup> Moreover, the Federal Communications Commission (“FCC”) has made  
11 clear that that “providers of *wholesale* telecommunications services” such as TWCIS  
12 “enjoy the same rights as any ‘telecommunications carrier’ under . . . the Act.”<sup>8</sup> As noted  
13 above, state law and policy are fully consistent with these federal objectives. In any  
14 event, where, as here, a state commission’s refusal to grant a CPCN would result in  
15 prohibiting the applicant from providing telecommunications services in furtherance of  
16 Congress’s procompetitive objectives, such action would be subject to preemption under  
17 Section 253 of the Act.

18 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

19 A. Yes.

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Communications] Act.”).

7 See 47 U.S.C. § 253(a).

8 *Time Warner Cable Request for Declaratory Ruling that Competitive Local Exchange  
Carriers May Obtain Interconnection Under Section 251 of the Communications Act of  
1934, as Amended, to Provide Wholesale Telecommunications Services to VoIP  
Providers*, Memorandum Opinion and Order, 22 FCC Rcd 3513, at ¶ 9 (WCB 2007)

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**EXHIBIT A**

Scott Miles  
Contract Management  
Verizon Global Wholesale

**VIA FEDEX OVERNIGHT**



Verizon Global Wholesale  
600 Hidden Ridge  
HQWMNOTICES  
Irving, TX 75038

Phone 972-718-3689  
Fax 972-719-1519  
Scott.Miles@verizon.com

April 29, 2010

Time Warner Cable  
Mark Swan  
7800 Crescent Executive Drive  
Charlotte, NC 28217

Subject: NOTICE OF NON-OPERATIONAL DOCUMENTS AND RETURN OF ORIGINAL DOCUMENTS

On September 3, 2009, Verizon received executed signature pages for Time Warner Cable Information Services (Idaho), LLC's ("TWCIS") Interconnection Agreement documents for the State of Idaho. However, despite several requests for the information, we have not received the required certification information needed to execute, deliver and file the Interconnection Agreement documents. Therefore, Verizon considers the Interconnection Agreement documents non-operational.

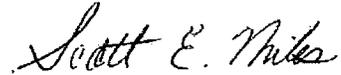
Enclosed are your voided, executed signature pages. Once TWCIS has received certification to be a provider of local exchange service, please submit a written request for Negotiations to:

Kathleen Robertson  
Verizon Global Wholesale – Interconnection Negotiations  
600 Hidden Ridge, HQE03D44  
Irving, TX 75038  
Telephone: 972-718-6452  
Fax: 972-719-1519  
E-Mail: contract.management@verizon.com

NOTICE OF NON-OPERATIONAL DOCUMENTS AND RETURN OF ORIGINAL DOCUMENTS (TWCIS)  
April 29, 2010

As per the Telecommunications Act of 1996, the request date will be the date Verizon receives the written request.

Sincerely,

A handwritten signature in cursive script that reads "Scott E. Miles".

Scott Miles  
Contract Management  
Verizon Global Wholesale

Enclosures (4)

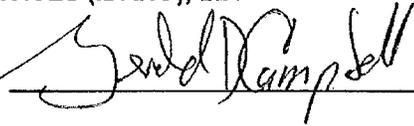
Cc: Time Warner Cable  
Julie P. Laine  
60 Columbus Circle  
New York, NY 10023

**SIGNATURE PAGE**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

**TIME WARNER CABLE INFORMATION SERVICES (IDAHO), LLC**

**VERIZON NORTHWEST INC.**

By: 

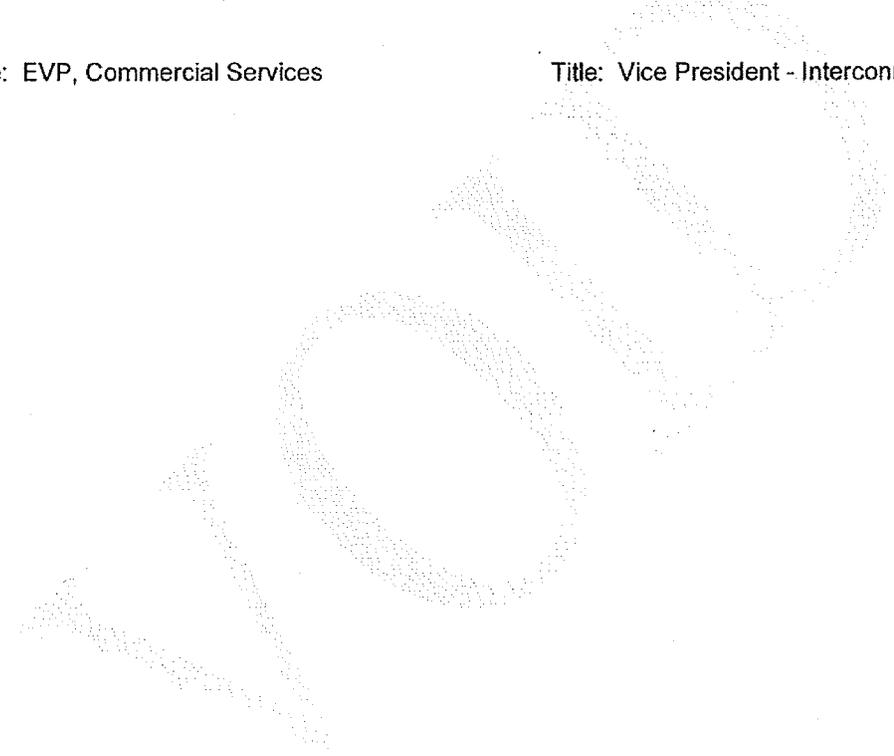
By: \_\_\_\_\_

Printed: Gerald D. Campbell

Printed: Jeffrey A. Masoner

Title: EVP, Commercial Services

Title: Vice President - Interconnection Services

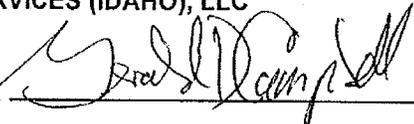


**SIGNATURE PAGE**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

**TIME WARNER CABLE INFORMATION SERVICES (IDAHO), LLC**

**VERIZON NORTHWEST INC.**

By:  \_\_\_\_\_

By: \_\_\_\_\_

Printed: Gerald D. Campbell

Printed: Jeffrey A. Masoner

Title: EVP, Commercial Services

Title: Vice President - Interconnection Services

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed as of the Amendment Effective Date.

TIME WARNER CABLE INFORMATION SERVICES (IDAHO), LLC

VERIZON NORTHWEST INC.

By: Gerald D. Campbell

By: \_\_\_\_\_

Printed: Gerald D. Campbell

Printed: Jeffrey A. Masoner

Title: EVP, Commercial Services

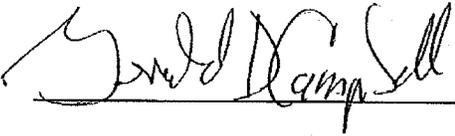
Title: Vice President – Interconnection Services

10/10/10

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed as of the Amendment Effective Date.

TIME WARNER CABLE INFORMATION SERVICES (IDAHO), LLC

VERIZON NORTHWEST INC.

By: 

By: \_\_\_\_\_

Printed: Gerald D. Campbell

Printed: Jeffrey A. Masoner

Title: EVP, Commercial Services

Title: Vice President – Interconnection Services