

Pennsylvania Telephone Association

*"The Communications
Leader in Pennsylvania"*

The Friday Report

November 6, 2009

PUC PUBLIC MEETING

11/6/09

- Merger mania at the PUC's Public Meeting today as the Commission unanimously approved matters relating to the union of Embarq and CenturyTel and Windstream and D&E. In the Embarq docket, the Commission approved the Motion of Chairman Jim Cawley which, among other things, incorporated the merger conditions of the FCC into a Tentative PUC Order subject to comments and reply comments. With regard to D&E/Windstream, the Commission voted 4-0 (Commissioner Gardner was absent) to adopt Administrative Law Judge Wayne Weisman's Initial Decision approving the settlement.

INDUSTRY NEWS

- Congratulations to Ironton Telephone who, on Tuesday, was honored with the prestigious Milestone Award during the Lehigh Valley Chamber of Commerce Annual Luncheon in Bethlehem. Company President and CEO Bill George was quoted in the program booklet as saying: "Our goal has always been to maintain the highest service excellence to our customers, whether they were served by the old 'crank' phones to the modern VoIP service of today, and we are grateful to be here to have served both." Proud to have you as a member of PTA!
- Instead of spending billions of dollars solely on broadband deployment (The NTIA and RUS are poised to distribute \$7.2 billion in stimulus revenue next month), the federal government should consider paying providers for signing up subscribers. So said the Information Technology and Innovation Foundation (ITIF) in a study released yesterday. The ITIF says that the U.S. government should run a competition for broadband providers and that the companies signing up the most subscribers in low-income areas would get \$250 per subscriber. This approach could raise subscribership by 5 percent and cost approximately \$970 million according to the study.
- Yesterday, a federal district court in Iowa issued a temporary restraining order against the Iowa Utilities Board from taking any action enforcing its "traffic pumping" Order requiring eight local exchange companies to refund access charges to Qwest, AT&T, and Sprint.
- Windstream announced earlier this week that it has reached an agreement to purchase NuVox in a deal worth \$643 million. NuVox is a Greenville, S.C.-based competitive local exchange carrier which focuses on business customers in 16 southeastern and midwestern states.

THE DAILY NUMBER

- 37,000

The Federal Trade Commission received 37,000 communications-related consumer complaints in the year ending in August 2009. The FTC said so in a recent filing with the FCC, which also showed that approximately 28,000 of the complaints focused on cable and satellite services.

QUOTABLE

- *“The Federal Communications Commission has a lot on its plate at the moment: Net neutrality, the development of a national broadband plan, Google Voice, E-Rate, Frontier’s acquisition of Verizon properties –the list goes on. Into this very crowded room, Comcast may soon walk arm-in-arm with NBC Universal. Nothing has happened yet, but speculation persists that the largest cable TV firm in the U.S. may soon move to acquire a controlling stake in the entertainment giant, a company which increasingly has become known for its cable channel properties rather than its long-standing national TV network. If the deal happens, I’m wondering if the FCC is ready to be as tough on Comcast in the TV content world as it seems ready to be on telcos in the Internet world. The FCC seems more than ready to impose new Net neutrality rules that would affect telcos and many other broadband service providers to keep big companies from controlling the Internet. Will they be just as ready to prevent big-company Comcast from being miserly with a vast amount of cable TV programming that other video providers, such as telcos, would need fair access to?”*

Excerpt from a Wednesday article posted by Dan O’Shea on Fierce Telecom.

- *“When we examine people’s full personal network--Internet use in general and use of social networking services such as Facebook in particular are associated with more diverse social networks. Our key findings challenge previous research and commonplace fears about the harmful social impact of new technology.”*

Excerpt from a study released yesterday by the Pew Internet and American Life Project dispelling a 2006 sociological study which claimed that advancing technology is leading to an increasingly isolated American society.