Consumer Protection in Competitive Markets

Telecommunications Regulatory Parity in Maine and Vermont
• New law effective August 15, 2012.
• Marketplace replaces traditional Rate of Return and AFOR regulation.
• Retail Telecommunications services deregulated except for Provider of Last Resort (“POLR”) service.
• Regulatory oversight for service quality and price limited to POLR.
• Deregulation of VoIP made permanent.
• Obligation assigned to the ILEC.
• Minimum basic service at affordable rates.
• Consumer protections maintained.
• Service Quality oversight.
• Access to PUC Consumer Assistance Division.
MAINE – POLR COST

- Competition eliminates traditional POLR support mechanisms.
- Support network to support POLR.
- All providers pay in.
- Funding studied this summer.
VERMONT

• Incentive Regulation plan.
• Basic Local Exchange Service (BLES) rates are frozen for one year.
• Basic rate increases capped at 9 percent or $1.50 for years 2 and 3 of the plan.
• Basic rate increases capped at 11 percent or $2.00 for years 4 and 5 of the plan.
• Local measured service rates are frozen for the first 2 years of the plan.
• Basic rates will remain uniform across the state.
• Consumer protections stated in Rule 7.600 remain in place.
VERMONT – UNIVERSAL SERVICE

• S 180 recently passed.
• SUSF funds to ILEC’s maintain universal basic local service to all areas of the state.
• Study this summer.
• Interim fund.
• All providers pay in.
SUMMARY

• Competition is managing the retail market, service quality and price
• POLR/COLR service is necessary for ongoing consumer protection
• POLR funding/SUSF necessary to maintain POLR services