



## **NEWS RELEASE**

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### **DORA's Office of Consumer Counsel Responds to Federal Communications Commission Order Rejecting Qwest's Petition for the Denver Market**

DENVER – “Colorado’s Office of Consumer Counsel (“OCC”) welcomes this weekend’s Order from the Federal Communications Commission (“FCC”) rejecting Qwest’s bid to end the FCC’s regulatory oversight. Qwest had asked to raise its wholesale rates to competitors to access its network in Denver and three other markets,” said Jim Greenwood, director of the OCC. In April 2007, Qwest petitioned the FCC to cease enforcement of legal requirements that Qwest offer cost-based prices to small competitive telephone companies in four markets: Denver, Phoenix, Minneapolis and Seattle. Greenwood added “This weekend’s 5 – 0 vote by the FCC to reject Qwest’s Petition for these four markets is a win for consumers and is a strong signal that wireline phone competition will continue.”

Greenwood commented further: “The business models of smaller competitive phone companies significantly rely on fixed cost-based wholesale prices to lease pieces of Qwest’s phone network. Had the FCC granted Qwest’s Petition, the Denver market undoubtedly would have seen wholesale price increases from Qwest that would have affected competition and, consequently, retail prices to Colorado consumers in both the residential and business markets.”

The OCC – the State of Colorado’s utility consumer watchdog – filed lengthy initial and reply comments last year on behalf of its residential and small business consumers in opposition to Qwest’s Denver Petition. Further, on July 15, 2008, the OCC filed a letter with the FCC refuting Qwest’s allegations that the Denver market was sufficiently competitive, offering evidence “from the front line” of Qwest’s many recent residential and business telephone and internet rate hikes, undermining Qwest’s rationale for its bid.

“It is my opinion that our strong opposition to Qwest’s Denver Petition provided insight to the FCC that sufficient competition does not exist to warrant the change in regulatory oversight that Qwest was seeking,” Greenwood stated. FCC Commissioner Michael Copps in his separate statement noted that many consumer and public interest organizations strongly opposed Qwest’s Petitions and cited to their “strong concern” as evidence that Qwest had not met the standard that “current regulations are no longer needed to protect consumers and to serve the public interest.”

As a division within DORA - the Department of Regulatory Agencies, the OCC’s mission includes protecting consumers, and specifically as to this FCC docket, protecting consumers from the trickle-down effect of higher retail prices and the squeezing out of competition.

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*DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.*