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COMMITTEE  
CONSUMER AFFAIRS  
DEMOCRATIC CHAIRMAN

P-2014-2446303  
P-2014-2446304

House of Representatives  
Commonwealth of Pennsylvania  
Harrisburg

February 23, 2015

Chairman Robert F. Powelson  
Public Utility Commission  
3<sup>rd</sup> Floor  
Commonwealth Keystone Building  
Harrisburg, PA 17105

Dear Chairman Powelson:

On October 6, 2014, Verizon Pennsylvania LLC and Verizon North LLC filed a joint petition with the Public Utility Commission for competitive classification of all retail services in certain geographic areas, and for a waiver of regulations for competitive services. Specifically, Verizon has proposed reclassifying 194 of its 504 exchanges in the Commonwealth as competitive. As Democratic Chair and Members of the House Consumer Affairs Committee, we respectfully request that the Public Utility Commission deny the above mentioned petition.

Verizon has petitioned the PUC under 66 PA C.S. § 3016 (a), which provides that ***a local exchange telecommunications company may petition the commission for a determination of whether a protected or retail noncompetitive service or other business activity in its service territory or a particular geographic area, exchange or group of exchanges or density cell within its service territory is competitive based on the demonstrated availability of like or substitute services or other business activities provided or offered by alternative service providers.*** While this is a current option for Verizon to change their business model, it is important to note that the legislature began evaluating this issue at Verizon's request in 2012 and has not completed our review.

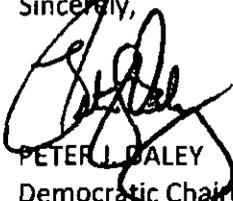
In 2012, House Bill 2496 (Boyd) was introduced and referred to the House Consumer Affairs Committee. Stakeholder meetings were held and interested parties began working with rank and file members of the Committee. Similar to this petition, HB 1608 (Kampf) in the 2013-2014 legislative session proposed to eliminate the carrier of last resort obligations for exchanges that are declared to be "competitive". The bills' controversy stemmed from the unknown effects they would have on people with only landlines, residential areas with poor cell phone

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reception, the Universal Service Fund, Chapter 30 obligations, and those employed by the telecommunications industry in the state. Accordingly, neither bill was brought for a vote before the full Committee.

Pennsylvania has a long history of ensuring that the good citizens of the Commonwealth have access to affordable and reliable gas, electric, water, and telephone service. While nothing in our statutes prevent consumers from choosing an alternative company or source for these services, the inherent assurance provided by the Pennsylvania General Assembly in Title 66 (Public Utility Code) remains—**all residents in Pennsylvania are guaranteed access to affordable and reliable gas, electric, water, and telephone service.** It is with this in mind and more that the legislature is poised to continue reviewing and debating the implications that Verizon discontinuing landline service and related obligations will have on the affordability and reliability of this fundamental service. Once again, we respectfully request that the Public Utility Commission deny the above mentioned petition.

Sincerely,



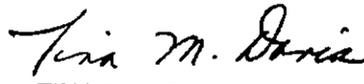
PETER J. DALEY  
Democratic Chairman  
Consumer Affairs Committee  
49<sup>th</sup> Legislative District



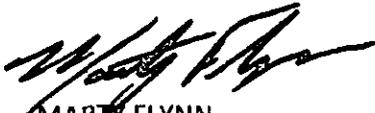
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FRANK BURNS  
72<sup>nd</sup> Legislative District



TINA DAVIS  
141<sup>st</sup> Legislative District



MARTY FLYNN  
113<sup>rd</sup> Legislative District



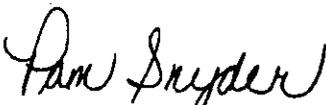
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ROBERT MATZIE  
16<sup>th</sup> Legislative District



BRANDON NEUMAN  
48<sup>th</sup> Legislative District



PAMELA SYNDER  
50<sup>th</sup> Legislative District

**Cc: John F. Coleman, Vice Chair  
James Cawley, Commissioner  
Gladys Brown, Commissioner  
Pamela Witmer, Commissioner  
Governor Tom Wolf**