

ROBERT C BARBER ESQUIRE
AT&T COMMUNICATIONS OF PA INC
3033 CHAIN BRIDGE ROAD
OAKTON VA 222185

PHILIP R MCCLELLAND ESQUIRE
SHAUN A SPARKS ESQUIRE
OFFICE OF CONSUMER ADVOCATE
555 WALNUT STREET 5TH FLOOR
FORUM PLACE
HARRISBURG PA 17101-1923

SUZAN DEBUSK PAIVA ESQUIRE
JULIA A CONOVER ESQUIRE
VERIZON PENNSYLVANIA INC
1717 ARCH STREET 32NW
PHILADELPHIA PA 19103

RUSSELL M BLAU ESQUIRE
SWIDLER BERLIN SHEREFF FRIEDMAN LLP
3000 K STREET NW SUITE 300
WASHINGTON DC 20007-5116

MICHELLE PAINTER ESQUIRE
CARL D GIESY ESQUIRE
MCI WORLDCOM INC
1133 19TH STREET NW
WASHINGTON DC 20036

PATRICIA ARMSTRONG ESQUIRE
THOMAS THOMAS ARMSTRONG &
NIESEN
212 LOCUST STREET
SUITE 500
PO BOX 9500
HARRISBURG PA 17108-9500

STEVEN C GRAY ESQUIRE
ANGELA T JONES ESQUIRE
OFFICE OF SMALL BUSINESS ADVOCATE
SUITE 1102 COMMERCE BUILDING
300 NORTH SECOND STREET
HARRISBURG PA 17101

THOMAS W SNYDER ESQUIRE
QWEST COMMUNICATIONS CORPORATION
1801 CARLIFORNIA STREET
SUITE 80202
DENVER CO 80202

ZSUZSANNA E BENEDEK ESQUIRE
UNITED TELEPHONE
240 NORTH THIRD STREET
SUITE 201
HARRISBURG PA 17101

KENNETH L MICKENS ESQUIRE
PA PUBLIC UTILITY COMMISSION
OFFICE OF TRIAL STAFF
PO BOX 3265
HARRISBURG PA 17105-3265

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Zsuzsanna E. Benedek
Senior Attorney

240 North Third Street, Suite 201
Harrisburg, PA 17101
Voice 717 236 1385
Fax 717 238 7844
sue.e.benedek@mail.sprint.com

May 20, 2003

VIA HAND DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

REP

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03 MAY 20 PM 3:44
HARRISBURG
SECRETARY'S BUREAU

Re: Access Charge Investigation per Global Order of September 30, 1999 – Docket Nos. P-00991648, P-00991649 and M-00021596

In re: The Joint Applications of Bell Atlantic Corporation And GTE Corporate for Approval of Agreement and Plan of Merger – Docket Nos. A-310200F0002, A-311350F002, A-310222F0002

AT&T Communications of Pennsylvania, Inc. v. Verizon North, Inc. – Docket No. C-20027195

Verizon Pennsylvania's 2003 Price Change Opportunity – Docket No. M-00031694

AT&T Communications of Pennsylvania, Inc. v. Verizon Pennsylvania re: Verizon Pennsylvania Inc.'s 2003 PCO
Docket Nos. M-00031694C0001, P-00930715

Dear Secretary McNulty:

Attached please find an original and three (3) copies of the Petition For Reconsideration on behalf of The United Telephone Company of Pennsylvania *d/b/a* Sprint and the Rural Telephone Coalition Companies ("RTCC") in the above-referenced matter. This Petition for Reconsideration has been served upon all persons listed on the attached Certificate of Service.

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Should you have any questions, please do not hesitate to contact me.

Sincerely,



Sue Benedek

ZEB/jh

enclosures

cc: The Honorable Robert A. Christianson (*via electronic mail and hand delivery*)
The Honorable Michael C. Schnierle (*via electronic mail and hand delivery*)
The Honorable Cynthia W. Fordham (*via electronic mail and Federal Express*)
Elizabeth Barnes (*via electronic mail and hand delivery*)
Bohdan R. Pankiw (*via electronic mail and hand delivery*)
Cheryl Walker Davis (*via electronic mail and hand delivery*)
Certificate of Service (*via first-class mail*)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Access Charge Investigation per Global Order of September 30, 1999	:	Docket Nos. M-00021596 P-00991648 P-00991649
In re the Joint Application of Bell Atlantic Corporation and GTE Corporation for Approval of Agreement and Plan of Merger	:	Docket Nos. A-310200F0002 A-311350F0002 A-310222F0002
AT&T Communications of Pennsylvania, Inc. v. Verizon North Inc.	:	Docket No. C-20027195
Verizon Pennsylvania's 2003 Price Change Opportunity	:	Docket No. M-00031694
AT&T Communications of Pennsylvania, Inc., v. Verizon Pennsylvania Inc. Re: Verizon Pennsylvania Inc.'s 2003 PCO	:	Docket Nos. M-00031694C0001 P-00930715

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PETITION FOR RECONSIDERATION

Pursuant to 52 Pa. Code §5.572, the Rural Telephone Company Coalition ("RTCC") and Sprint Communications Company, L.P. ("Sprint"), collectively "Petitioning Parties", respectively submit this Petition for Reconsideration concerning portions of the May 5, 2003 Order entered by the Pennsylvania Public Utility Commission ("Commission") in the above-captioned dockets. A Prehearing Conference has been scheduled for June 4, 2003 concerning the Joint Access Proposal in Response to

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Access Charge Investigation – Phase II (hereinafter “the RTCC/Sprint/Public Parties Joint Access Proposal”) at Docket No. M-00021596.

In the May 5, 2003 Order, the Commission *inter alia* referred the RTCC/Sprint/Public Parties Joint Access Proposal to the Office of Administrative Law Judge for an evidentiary hearing, briefing and recommended decision at Docket No. M-00021596. The Commission also directed the presiding Judge to issue a “recommended decision in time for the Commission to approve a final Order before December 31, 2003” on the issue of whether the Pennsylvania Universal Service Fund (“PaUSF”) will continue beyond 2003. Finally, the May 5, 2003 Order consolidated the RTCC/Sprint/Public Parties Joint Access Proposal with the Price Change Opportunity (“PCO”) proposal concerning Verizon Pennsylvania Inc. and Verizon North Inc.’s (collectively, “Verizon”) and AT&T Communications of Pennsylvania, Inc.’s (“AT&T”) formal complaint regarding the same.

Reconsideration is sought regarding certain Commission rulings at Docket No. M-00021596. The scope of this Petition for Reconsideration does not address the merits of matters consolidated to C-20027195 concerning Verizon’s access proposal and AT&T’s complaint relative to Verizon North’s access charges.

Introduction

Petitioning Parties seek reconsideration on four (4) issues. First, certain language in the May 5, 2003 Order could be construed as requiring additional information in the form of “cost studies” beyond the original data utilized in support of the RTCC/Sprint/Public Parties Joint Access Proposal. The production of time-consuming “cost studies” would be difficult given the December 31, 2003 order entry deadline. The production of “cost studies” is also unnecessary given that this is a compromise proposal

that merely seeks to extend and continue additional access reform as initially begun in the *Global Order*.¹ Reconsideration, or in the alternative clarification, is sought on this issue.

Second, Petitioning Parties seek reconsideration of the finding that the RTCC/Sprint/Public Parties Joint Access Proposal represents a “non-unanimous” joint proposal that somehow requires “consensus” from AT&T or MCI due to the fact that these entities pay access charges or due to the existence of alleged contested material factual issues. Approval of the RTCC/Sprint/Public Parties Joint Access Proposal – and therefore the benefits associated with immediate and sizable reductions to access charges – should not be put on hold pending review of additional data.

There was no intention to declare the access rates established in this matter as the final word on access reform, which might arguably require cost data. Rather, the RTCC/Sprint/Public Parties Joint Access Proposal was submitted as the next step in implementing continued access reform in an efficient and productive manner. The RTCC/Sprint/Public Parties Joint Access Proposal can be – and should be – approved without delay.

In an effort to resolve disputed issues with AT&T and MCI in an expeditious and amicable manner, Sprint and the RTCC companies have provided to AT&T and MCI data developed in support of the RTCC/Sprint/Public Parties Joint Access Proposal.² Such efforts to resolve outstanding objections are significantly hampered by inclusion in

¹ *Re Nextlink Pennsylvania, Inc.*, Docket No. P-00991648; P-00991649, 93 PaPUC 172 (September 30, 1999)(*Global Order*); 196 P.U.R. 4th 172, *aff'd sub nom. Bell Atlantic-Pennsylvania, Inc. v. Pennsylvania Public Utility Commission*, 763 A.2d 440 (Pa.Cmwlth. 2000), *alloc. granted*.

² Detailed data (*sans* information relative to Ironton Telephone Company) was provided to AT&T and MCI on May 15, 2003.

the RTCC/Sprint/Public Parties Joint Access Proposal docket of issues such as Verizon's PCO or the PaUSF, as noted immediately below.

Third, Petitioning Parties request reconsideration of the determination to consolidate the RTCC/Sprint/Public Parties Joint Access Proposal with AT&T's complaint concerning Verizon's 2003 PCO. Verizon is not a party to the RTCC/Sprint/Public Parties Joint Access Proposal. The RTCC/Sprint/Public Parties Joint Access Proposal does not involve or alter how Verizon (or any other contributor to the PaUSF) intends to satisfy PaUSF funding obligations. Verizon's 2003 PCO proposal (Docket No. M-00031694) and AT&T's formal complaint concerning Verizon's PCO (Docket No. M-00031694C0001) should be severed from the RTCC/Sprint/Public Parties Joint Access Proposal. The undeniable fact is that if Verizon's unrelated PCO proposal is severed, the greater the likelihood of resolving AT&T's and MCI's respective oppositions to the RTCC/Sprint/Public Parties Joint Access Proposal.

Finally, academic discussion of the continuation of the PaUSF beyond 2003 – as envisioned in the May 5, 2003 Order – is not a substitute for a rulemaking to modify the current PaUSF regulations, which do not impose a December 31, 2003 deadline on the PaUSF. If further argument is desired in the RTCC/Sprint/Public Parties Joint Access Proposal docket concerning continuation of the PaUSF, then arguments can be made on an expedited basis *pending* interim approval of the RTCC/Sprint/Public Parties Joint Access Proposal.

For the reasons set forth below, Petitioning Parties request that the Commission grant reconsideration in an expeditious manner, for the reasons set forth below.

Argument

1. Pursuant to a Secretarial Letter dated October 24, 2001, the Commission directed Sprint and the RTCC to submit a proposal to the Commission outlining: (1) proposed reductions in access charges; (2) a reduction in the carrier charge pool; and (3) a time frame for the changes to take effect. *The October 24, 2001 Secretarial Letter was not sent to AT&T, or MCI or Verizon.* Sprint and RTCC complied with the October 24, 2001 Secretarial Letter as to all three requirements.

The RTCC/Sprint proposal was thereafter modified to include the OCA, OTS and OSBA. These statutory parties ultimately became signatories to what is now known as the RTCC/Sprint/Public Parties Joint Access Proposal. Other industry members, including specifically Verizon, AT&T and MCI, were afforded an opportunity to participate in this process and to review supporting data on a proprietary basis. These parties chose not to fully participate and, therefore, by own choice were not parties to the RTCC/Sprint/Public Parties Joint Access Proposal.

2. On December 16, 2002, the RTCC/Sprint/Public Parties Joint Access Proposal was filed with the Commission. The RTCC/Sprint/Public Parties Joint Access Proposal complied with the October 24, 2001 Secretarial Letter in that it: (1) outlined proposed reductions in the access charge rates of Sprint and the individual RTCC companies; (2) reduced the Carrier Charge; and (3) provided a time frame for these proposed changes to take effect.

3. The May 5, 2003 Order, however, seems to imply that “the consensus” of AT&T or MCI WorldCom is needed given that these entities “pay millions of dollars in access charges each year.” Order at 5. The Order then goes on to state that the lack of consensus by these entities: (1) renders the RTCC/Sprint/Public Parties Joint Access

Proposal as a “non-unanimous joint proposal;” and (2) that such “opposing parties” should in an evidentiary context “cross-examine the factual evidence.” The Order specifically provides as follows:

[W]hile the RTCC and Sprint/United have offered cost data to support their petition, there has been no evidentiary hearing and no cost studies have been offered to support the data. Given that this is a non-unanimous joint proposal, we hesitate to rule on the RTCC/Sprint Joint Proposal prior to a formal evidentiary hearing where opposing parties would have an opportunity to cross-examine the factual evidence. Since there appear to be contested material factual issues . . . we believe the RTCC/Sprint Joint Proposal should be referred to the Office of Administrative Law Judge for an evidentiary hearing and recommended decision at our Access Charge Investigation docket.

Id.

This paragraph of the May 5, 2003 Order is greatly troubling to Petitioning Parties. Reconsideration is necessary to eliminate uncertainty and to address new and novel arguments, not previously heard, and to raise considerations which appear to have been overlooked or not addressed by the Commission. Duick v. Pennsylvania Gas & Water Company, 56 Pa. PUC 553, 51 PUR4th 284, (1982) (“Duick”).

A. “Cost Studies” should not be required.

4. The May 5, 2003 Order states that “there has been no evidentiary hearing and no cost studies have been offered to support the data” that has already been provided. Order at 5 (emphasis added). This language could be construed or interpreted as requiring additional information in the form of cost studies to support what is essentially a compromise proposal – rather than a litigation position.

5. One of the principal benefits of a joint proposal is that it narrows the scope of litigation. If parties to the proposal are required nonetheless to undertake the burden

associated with litigation and the production / litigation of cost studies, they will have little to no incentive to reach a compromise. Particularly, as is the case at hand, it would be unfair to require additional support in the form of cost studies when, from the outset of the October 24, 2001 Secretarial Letter, the process was not intended to include protracted litigation of cost studies. If in fact this were the case, the Petitioning Parties are better situated to withdraw the proposal in its entirety.

6. Moreover, there was no intention to declare that the access rates established in this matter would be final rates forever foreclosed from further reform, arguably require cost data. Rather, the RTCC/Sprint/Public Parties Joint Access Proposal was submitted as the next step in implementing continued access reform in an efficient and productive manner.

7. Finally, if cost studies are now required to be produced, the studies could not be completed and presented in a litigation context so as to meet the Commission's intended goal of issuing a final order by December 31, 2003. In fact, the RTCC/Sprint/Public Parties Joint Access Proposal may be withdrawn.

8. These considerations and issues appear to have been overlooked or not considered by the Commission. Quick. Thus, Petitioning Parties request reconsideration, or in the alternative clarification, that the May 5, 2003 is not intended to require parties to produce additional cost support in the form of "cost studies," but rather to provide AT&T and MCI with cost data used in the development of the RTCC/Sprint/Public Parties Joint Access Proposal.

B. The comments / objections of AT&T and MCI can be addressed pending interim Commission approval of the RTCC/Sprint/Public Parties Joint Access Proposal.

9. Petitioning Parties also seek reconsideration of the finding that the RTCC/Sprint/Public Parties Joint Access Proposal represents a “non-unanimous joint proposal” which “does not have the consensus of either AT&T or MCI, which pay millions of dollars in access charges each year.” Order at 5. The Commission in the May 5, 2003 Order hesitated to rule on the RTCC/Sprint Joint Proposal prior to “a formal evidentiary hearing.”

10. The May 5, 2003 Order improperly treats AT&T and MCI as parties whose consensus is needed given the access charges these entities pay. This holding if applied literally would require that consensus be obtained from every entity paying access charges in Pennsylvania. If party status is conferred on this basis, then the October 24, 2001 Secretarial Letter directing Sprint and the RTCC companies would have been addressed to AT&T and MCI, along with other entities paying access charges.

11. AT&T and MCI are not adversely harmed by the RTCC/Sprint/Public Parties Joint Access Proposal. AT&T and MCI are not adversely harmed by Commission approval of that Proposal. AT&T and MCI, as well as all interexchange carriers, would be significantly benefited by Commission adoption of the RTCC/Sprint/Public Parties Joint Access Proposal.

Specifically, the RTCC/Sprint/Public Parties Joint Access Proposal, would result in access charge reductions of approximately \$25 million in year 2003.³ In year 2004, the RTCC/Sprint/Public Parties Joint Access Proposal would further implement access reductions attributable to an approximate \$2.2 million redistribution of Sprint’s current

³ RTCC/Sprint/Public Parties Joint Access Proposal at para. 6.

receipts from the PaUSF to certain smaller ILECs, plus access reductions associated with any other optional local increases implemented. Clearly, party status and standing to challenge the RTCC/Sprint/Public Parties Joint Access Proposal remains questionable when AT&T and MCI would be positively and immediately impacted by Commission adoption of the RTCC/Sprint/Public Parties Joint Access Proposal.

Nonetheless, in an effort to resolve disputed issues with AT&T and MCI in an expeditious and possibly amicable manner, Sprint and the RTCC companies on May 15, 2003 provided to AT&T and MCI data developed in support of the RTCC/Sprint/Public Parties Joint Access Proposal.

12. By treating the RTCC/Sprint/Public Parties Joint Access Proposal as a “non-unanimous” proposal, the May 5, 2003 Order seems to equate it to a partial settlement necessitating a hearing on “contested material factual issues.” If the *Global Order* had not existed and if the RTCC/Sprint/Public Parties Joint Access Proposal did not simply extend the same access reform initiatives begun by the Commission in the *Global Order* and included in the Companies’ Chapter 30 Plans, then concern as to “contested material factual issues” may be warranted.

13. The RTCC/Sprint/Public Parties Joint Access Proposal, however, accepts factual findings and conclusions of the *Global Order*. The RTCC/Sprint/Public Parties Joint Access Proposal raises no new or material factual issues by adopting and continuing the *Global Order’s* access reform measures. The *Global Order* recognized that local exchange rates are subsidized by access charges.⁴ The *Global Order* (along with Chapter 30) authorized revenue neutral rate balancing of local rates to reduce access charges

⁴ See, e.g., *Global Order* at 13.

closer to cost.⁵ The RTCC/Sprint/Public Parties Joint Access Proposal merely continues the framework of reducing access rates closer to cost via moderated revenue neutral rate rebalancing local rates to a new weighted average cap of \$18.00. The RTCC/Sprint/Public Parties Joint Access Proposal is not a partial settlement, nor is it a non-unanimous settlement. Rather, the RTCC/Sprint/Public Parties Joint Access Proposal is a proposal to extend access reform begun in the *Global Order* that was submitted in compliance with the requirements set forth in the October 24, 2001 Secretarial Letter.

14. Even if the Commission deems data supporting traffic-sensitive rates as contested factual issues,⁶ delaying implementation of the RTCC/Sprint/Public Parties Joint Access Proposal to adjudicate the entire Proposal is not the answer. As noted above, the RTCC/Sprint/Public Parties Joint Access Proposal, would result in access charge reductions of approximately \$25 million in year 2003.

Supporting data was provided to AT&T and MCI on May 15, 2003. This is the very information previously offered to other parties in the meetings in which neither AT&T nor MCI sought to fully participate. Sprint and the RTCC companies remain willing to work with AT&T and MCI on an informal basis to address reasonable claims regarding the data relied upon in support of the RTCC/Sprint/Public Parties Joint Access Proposal.

15. Accordingly, Petitioning Parties request Commission approval of the RTCC/Sprint/Public Parties Joint Access Proposal on an interim basis notwithstanding the objections of AT&T and MCI. Interim Commission approval will enable access

⁵ 66 Pa. C.S.A. §3007(2).

⁶ Order at 5 (“Since there appear to be contested material factual issues regarding, for example, the cost justification of traffic-sensitive rates and how low the intrastate access charges should be...”).

reductions to take place immediately. Also, interim Commission approval of the RTCC/Sprint/Public Parties Joint Access Proposal will preserve the *Global Order* access reduction measures, as extended through the RTCC/Sprint/Public Parties Joint Access Proposal, in the event that a final Commission order is not entered by December 31, 2003, or if any such order is appealed. These arguments have not been previously heard and the consideration of this approach has not been addressed by the Commission.

Duick.

C. Verizon's PCO Proposal should be severed from the RTCC/Sprint/Public Parties Joint Access Proposal docket.

16. On January 31, 2003, AT&T filed a formal complaint challenging Verizon PA's proposal to use its negative PCO money to fund Verizon's 2003 contribution to the PaUSF.

17. In the May 5, 2003 Order, the Commission consolidated Verizon's PCO filing and AT&T's formal complaint regarding the same with the RTCC/Sprint/Public Parties Joint Access Proposal. The matters were consolidated purportedly because "the issue of whether Verizon-Pa. has authority to use its negative PCO . . . is intricately related to issues expressed in the RTCC/Sprint Joint Proposal." Order at 6. Petitioning Parties disagree and submit the following for additional consideration by the Commission.

18. First, The RTCC/Sprint/ Public Parties Joint Access Proposal does not, *in any manner whatsoever*, address or impact how Verizon or any other telecommunications carrier is to fund its contribution to the PaUSF. The RTCC/Sprint/Public Parties Joint Access Proposal is conditioned upon the PaUSF and the regulations remaining intact

beyond December 31, 2003, rather than how Verizon proposes to fund its PaUSF obligations.⁷

The RTCC/Sprint/Public Parties Joint Access Proposal is not dependent at all upon Commission deliberation as to Verizon's PCO proposal. But for a \$2.2 million shift regarding USF recipients (*i.e.*, shifting \$2.2 million from Sprint to certain small ILECs), the RTCC/Sprint/Public Parties Joint Access Proposal does not seek to modify the PaUSF in any way. The PaUSF contributors and the contributions made by them remain the same.

Simply put, whether Verizon wins or loses on its PCO proposal does not impact the RTCC/Sprint/Public Parties Joint Access Proposal. Verizon's funding obligation as required by the Commission's PaUSF regulations exists even if Verizon's PCO proposal is disallowed. Whether the RTCC/Sprint/Public Parties Joint Access Proposal is adopted or rejected by the Commission also does not impact Verizon's PCO proposal. Verizon's PCO filing, therefore, should not delay Commission approval of the RTCC/Sprint/Public Parties Joint Access Proposal.

19. Second, AT&T filed a formal complaint challenging Verizon's PCO proposal. Sprint and the RTCC companies have filed letters in support of Verizon being able to use its negative PCO to pay its 2003 contribution to the PaUSF. AT&T and Verizon, the sole parties to this discrete complaint dispute, will no doubt address issues of fact and law, including the operation of Verizon's Chapter 30 Plan, its PCO and Verizon's prior use(s) of negative PCO money. The litigation of these issues will unnecessarily encumber the already abbreviated timeframe in which the Commission

⁷ RTCC/Sprint/Public Parties Joint Access Proposal, Exhibit B, Conditions of Proposal, #1.

anticipates approving a final order – *i.e.*, order approved by December 31, 2003 – in the RTCC/Sprint/Public Parties Joint Access Proposal.

20. Finally, any opportunity or any effort undertaken by parties to the RTCC/Sprint/Public Parties Joint Access Proposal to settle outstanding issues are impeded – if not extinguished altogether – due to the existence of a consolidated complaint matter involving Verizon and AT&T. These considerations and issues appear to have been overlooked or not considered by the Commission. Quick.

21. Accordingly, Petitioning Parties request that the Commission reconsider its determination to consolidate the RTCC/Sprint/Public Parties Joint Access Proposal with the Verizon 2003 PCO proposal at Docket No. M-00031694 and AT&T's formal complaint regarding the same at Docket No. M-00031694C0001. Petitioning Parties make no proposal as to where the Verizon PCO matter should be docketed, only that the Verizon 2003 PCO matter should be severed from the RTCC/Sprint/Public Parties Joint Access Proposal.

D. Further briefing of the continuation of the PaUSF should not delay Commission approval of the RTCC/Sprint/Public Parties Joint Access Proposal.

22. Petitioning Parties continue to maintain that the Commission's PaUSF regulations govern the Commission's implementation of the PaUSF, including the continuation of the PaUSF beyond December 31, 2003. Because, the PaUSF regulations do not terminate the PaUSF on December 31, 2003, a formal rulemaking is necessary to modify these regulations. The RTCC/Sprint/Public Parties Joint Access Proposal simply assumes this status quo – *i.e.*, the PaUSF regulations remain intact beyond December 31,

2003.⁸ Academic discussion of the continuation of the PaUSF beyond 2003 – as envisioned in the May 5, 2003 Order – is not a substitute for a rulemaking to modify the current PaUSF regulations.

23. Even if further discussion is heard in the RTCC/Sprint/Public Parties Joint Access Proposal docket concerning continuation of the PaUSF, such legal discord can occur on an expedited basis and *pending* interim approval of the RTCC/Sprint/Public Parties Joint Access Proposal that allows implementation of the access reductions and rate balancings. Interim Commission approval of the RTCC/Sprint/Public Parties Joint Access Proposal will enable the proposed, sizable access reductions to take place in 2003. Also, interim Commission approval will preserve the *Global Order* access reduction framework, as extended through the RTCC/Sprint/Public Parties Joint Access Proposal, in the event that a final Commission order is not entered by December 31, 2003, or if any such order is appealed. These arguments have not been previously heard. Duick.

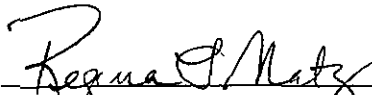
⁸ RTCC/Sprint/Public Parties Joint Access Proposal, Exhibit B, Conditions of Proposal, #1.

Conclusion

For the reasons set forth above, Petitioning Parties request that the Commission:

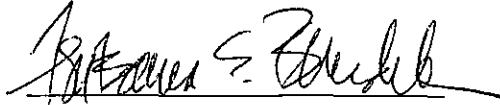
- (1) Grant this Petition for Reconsideration;
- (2) Reconsider or clarify that the May 5, 2003 is not intended to require Sprint and the RTCC companies (or other parties) to produce additional support in the form of "cost studies;"
- (3) Approve the RTCC/Sprint/Public Parties Joint Access Proposal on an interim basis, allowing implementation of the access reductions and rate balancings;
- (4) Sever Verizon's 2003 PCO from the RTCC/Sprint/Public Parties Joint Access Proposal; and
- (5) Address continuation of the PaUSF beyond 2003 in a formal rulemaking.

Respectfully submitted,



D. Mark Thomas, Esquire
Patricia Armstrong, Esquire
Regina L. Matz, Esquire

**Counsel for the Rural Telephone
Company Coalition**



Zsuzsanna E. Benedek, Esquire

**Counsel for the United Telephone
Company of Pennsylvania (d/b/a)
Sprint**

Dated: May 20, 2003

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Access Charge Investigation per Global Order of September 30, 1999	:	Docket Nos. M-00021596 P-00991648 P-00991649
	:	
In re the Joint Application of Bell Atlantic Corporation and GTE Corporation for Approval of Agreement and Plan of Merger	:	Docket Nos. A-310200F0002 A-311350F0002 A-310222F0002
	:	
AT&T Communications of Pennsylvania, Inc. v. Verizon North Inc.	:	Docket No. C-20027195
	:	
Verizon Pennsylvania's 2003 Price Change Opportunity	:	Docket No. M-00031694
	:	
AT&T Communications of Pennsylvania, Inc., v.	:	Docket Nos. M-00031694C0001 P-00930715
	:	
Verizon Pennsylvania Inc. Re: Verizon Pennsylvania Inc.'s 2003 PCO	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this 20th day of May, 2003, served a true copy of the foregoing Petition for Reconsideration upon the persons below via first-class mail, in accordance with the requirements of 52 Pa. Code §1.54:

Julia A. Conover, Esquire
Suzan DeBusk Paiva, Esquire
Verizon Pennsylvania, Inc.
1717 Arch Street, 32 NW
Philadelphia, PA 19103

Steven Gray, Esquire
Angela Jones, Esquire
Office of Small Business Advocate
300 North Second Street
Commerce Building, Suite 1102
Harrisburg, PA 17101

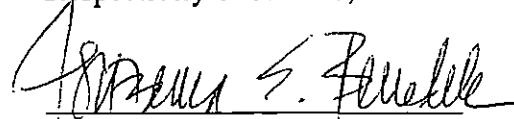
Kandace Melillo, Esquire
Pennsylvania Public Utility Commission
Office of Trial Staff
400 North Street
Harrisburg, PA 17120

Michelle Painter, Esquire
MCI WorldCom, Inc.
1133 19th Street, NW
Washington, DC 20036

Phillip F. McClelland, Esquire
Office of Consumer Advocate
555 Walnut Street, 5th Floor
Harrisburg, PA 17101-1923

Robert C. Barber, Esquire
AT&T Communications of PA, Inc.
3033 Chain Bridge Road
Oakton, VA 22185

Respectfully Submitted,



Zsuzsanna E. Benedek, Esquire
240 North Third Street, Suite 201
Harrisburg, PA 17101
Phone: 717/245-4346
Fax: 717/245-6213
e-mail: sue.e.benedek@mail.sprint.com

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

AT&T Communications of PA, Inc. :
v. : Docket No. C-20027195
Verizon North Incorporated :

NOTICE OF APPEARANCE

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TO THE SECRETARY:

Please enter the appearance of the Office of Trial Staff of the
Pennsylvania Public Utility Commission in the above-captioned proceeding.

Prosecutor(s) for the Office of Trial Staff, in addition to the undersigned
will be:

KENNETH L. MICKENS


All service on and communications to the Office of Trial Staff in this
proceeding should be addressed:

**Kenneth L. Mickens, Esquire
Pa. Public Utility Commission
Office of Trial Staff
P.O. Box 3265
Harrisburg, PA 17105-3265
(717) 787-1976**

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Charles F. Hoffman
Chief Prosecutor

Dated: May 21, 2003

RJP

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

AT&T Communications of PA, Inc. :
v. : Docket No. C-20027195
Verizon North Incorporated :

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Notice of Appearance** of the Office of Trial Staff, dated May 21, 2003, either personally, by first class mail, electronic mail, express mail, or by fax upon the persons listed below:

John O. Dudley, Esquire
212 Locust Street
P.O. Box 12060
Harrisburg, PA 17108

Robert C. Barber, Esquire
AT&T Communications of PA, Inc.
3033 Chain Bridge Road
Oakton, VA 22185

Philip R. McClelland, Esquire
Shaun A. Sparks, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place - 5th Floor
Harrisburg, PA 17101-1923

Julia A. Conover, Esquire
Susan DeBusk Paiva, Esquire
Verizon Pennsylvania Inc.
1717 Arch Street, 32N
Philadelphia, PA 19103

Russell M. Blau, Esquire
Swidler Berlin Shereff Friedman LLP
3000 K Street NW, Suite 300
Washington, DC 20007-5116

Michelle Painter, Esquire
Carl D. Giesy, Esquire
MCI Worldcom, Inc.
1133 19th Street NW
Washington, DC 20036

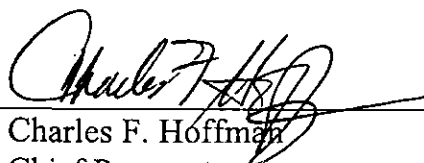
Patricia Armstrong, Esquire
Thomas, Thomas, Armstrong & Niesen
212 Locust Street
Suite 500
P.O. Box 9500
Harrisburg, PA 17108-9500

Steven C. Gray, Esquire
Angela T. Jones, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Bldg.
300 North Second Street
Harrisburg, PA 17101

Thomas W. Snyder, Esquire
Qwest Communications Corporation
1801 California Street
Suite 4900
Denver, CO 80202

Zsuzsanna E. Benedek, Esquire
United Telephone
240 North Third Street
Suite 201
Harrisburg, PA 17101

Honorable Cynthia W. Fordham
Office of Administrative Law Judge
Pa. Public Utility Commission
1302 Philadelphia State Office Building
1400 West Spring Garden Street
Philadelphia, PA 19130


Charles F. Hoffman
Chief Prosecutor
Office of Trial Staff

Dated: May 21, 2003
Docket No. C-20027195

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03 MAY 21 AM 10:08
P.A.U.C.
SECRETARY'S BUREAU

DATE: May 22, 2003

Q - 2002 7195

SUBJECT: M-00021596

TO: Law Bureau

FROM: James J. McNulty, Secretary *KB*

REP

Access Charge Investigation

Attached is a copy of a Petition for Reconsideration of portions of May 5, 2003 Order, filed by The United Telephone Company of Pennsylvania, d/b/a Sprint and the Rural Telephone Coalition Companies in connection with the above docketed proceeding.

This matter is assigned to your Bureau for appropriate action.

Attachment

cc: FUS
OTS

ksb

DOCUMENT
FOLDER.

DOCKETED
JUN 03 2003

JOHN F POVILAITIS ESQUIRE
RYAN RUSSELL OGDEN & SELTZER
LLP
800 NORTH THIRD STREET SUITE 101
HARRISBURG PA 17102-2025

ROBERT C BARBER ESQUIRE
AT&T COMMUNICATIONS OF PA INC
3033 CHAIN BRIDGE ROAD
OAKTON VA 222185

PHILIP R MCCLELLAND ESQUIRE
SHAUN A SPARKS ESQUIRE
OFFICE OF CONSUMER ADVOCATE
555 WALNUT STREET 5TH FLOOR
FORUM PLACE
HARRISBURG PA 17101-1923

SUZAN DEBUSK PAIVA ESQUIRE
JULIA A CONOVER ESQUIRE
VERIZON PENNSYLVANIA INC
1717 ARCH STREET 32NW
PHILADELPHIA PA 19103

RUSSELL M BLAU ESQUIRE
SWIDLER BERLIN SHEREFF FRIEDMAN LLP
3000 K STREET NW SUITE 300
WASHINGTON DC 20007-5116

MICHELLE PAINTER ESQUIRE
CARL D GIESY ESQUIRE
MCI WORLDCOM INC
1133 19TH STREET NW
WASHINGTON DC 20036

PATRICIA ARMSTRONG ESQUIRE
THOMAS THOMAS ARMSTRONG &
NIESEN
212 LOCUST STREET
SUITE 500
PO BOX 9500
HARRISBURG PA 17108-9500

STEVEN C GRAY ESQUIRE
ANGELA T JONES ESQUIRE
OFFICE OF SMALL BUSINESS ADVOCATE
SUITE 1102 COMMERCE BUILDING
300 NORTH SECOND STREET
HARRISBURG PA 17101

ZSUZANNA E BENEDEK ESQUIRE
UNITED TELEPHONE
240 NORTH THIRD STREET
SUITE 201
HARRISBURG PA 17101

KENNETH L MICKENS ESQUIRE
PA PUBLIC UTILITY COMMISSION
OFFICE OF TRIAL STAFF
PO BOX 3265
HARRISBURG PA 17105-3265

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RJP

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MAY 27 2003

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LAW OFFICES

RYAN, RUSSELL, OGDEN & SELTZER LLP

SUITE 101
800 NORTH THIRD STREET
HARRISBURG, PENNSYLVANIA 17102-2025

TELEPHONE: (717) 236-7714
FACSIMILE: (717) 236-7816
WWW.RYANRUSSELL.COM

May 27, 2003

SAMUEL B. RUSSELL (RETIRED)
HAROLD J. RYAN (1972)
JOHN S. MCCONAGHY (1981)

READING OFFICE

SUITE 301
1100 BERKSHIRE BOULEVARD
READING, PENNSYLVANIA
19610-1221
TELEPHONE: (610) 372-4761
FACSIMILE: (610) 372-4177

W. EDWIN OGDEN
ALAN MICHAEL SELTZER
JEFFREY A. FRANKLIN
JOHN F. POVILAITIS
BRIGID M. GOOD
CARL J. ENGLEMAN, JR.

VIA HAND DELIVERY

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17102

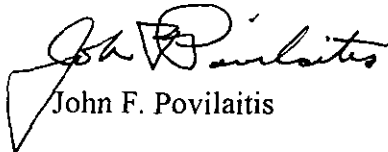
Re: In Re The Joint Application of Bell Atlantic Corporation
And GTE Corporation for Approval of Agreement And of Merger

AT&T Communications of Pennsylvania, Inc. v. Verizon North, Inc.
Docket No. C-20027195

Dear Secretary McNulty:

Enclosed please find an original and three (3) copies of Qwest Communications Corporation's Prehearing Memorandum in the above-captioned proceeding. Copies of this Prehearing Memorandum have been served in accordance with the attached Certificate of Service.

Very truly yours,


John F. Povilaitis

JFP/cc
Enclosures

c. The Honorable Cynthia W. Fordham
Certificate of Service

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03 MAY 27 PM 3:57
PA. P.U.C.
SECRETARY'S BUREAU

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FOLDER

RJP

87

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In Re The Joint Application of :
Bell Atlantic Corporation and GTE :
Corporation for Approval of Agreement :
And Plan of Merger : Docket No. C-20027195
:
AT&T Communications of Pennsylvania, Inc. :
v. Verizon North, Inc. :

PREHEARING CONFERENCE MEMORANDUM
OF QWEST COMMUNICATIONS CORPORATION

RECEIVED
03 MAY 27 PM 3:57
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To The Honorable Cynthia W. Fordham:

Qwest Communications Corporation ("Qwest") submits this Prehearing Conference Memorandum for purposes of the Prehearing Conference scheduled by the Administrative Law Judge ("ALJ") for May 29, 2003.

I. Procedural Background

By order entered May 5, 2003, the Pennsylvania Public Utility Commission ("Commission") initiated this proceeding intended to address, *inter alia*, the intrastate access charges to be set for Verizon Pennsylvania Inc. ("Verizon PA") and Verizon North Inc. ("Verizon North"). The proceeding represents a consolidated docket that combines a joint petition by Verizon PA and Verizon North seeking reductions in their access charges, as well as a separate complaint filed by AT&T Communications of Pennsylvania Inc. ("AT&T PA") against Verizon North seeking reductions in Verizon North's access charges. These consolidated dockets have been commonly docketed in Docket No. C-20027195 and assigned to ALJ Cynthia W. Fordham.

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II. Statement of Issues

Qwest has generally described its position on the merits of Verizon PA's and Verizon North's Joint Petition regarding access rate reform in its Initial Comments, filed with the Commission on February 18, 2003. These issues of concern can be summarized as follows:

1. The Commission should adopt proposals consistent with the FCC's interstate access charge reform plan that adopts an increase in customer charges to offset reductions in intrastate switched access charges.
2. The access rates of Verizon PA and Verizon North should be brought to parity with Verizon's interstate rates in a revenue neutral manner.
3. Strong policy considerations support the reduction of intrastate switched access charges to the level of interstate switched access charges.
4. As a policy matter, the Commission should not order flow-through of access charge reductions to customers, as part of access charge reductions, due to the competitiveness of the IXC market.

III. Proposed Witnesses

Qwest has not finalized identification of an expert witness in this proceeding at this time. The witnesses utilized by Qwest may vary, depending upon the issues other parties intend to raise in this case. When witnesses have been identified, that information will be relayed to the ALJ and all parties in this proceeding.

IV. Proposed Schedule

Qwest has conferred with other participants in this proceeding to establish a reasonable procedural schedule. Qwest concurs with a schedule that provides for an initial submission of testimony by Verizon and Verizon North on June 25, 2003, responsive testimony on July 18, 2003 and simultaneous rebuttal testimony by all parties on August 4, 2003. Hearings could be scheduled for August 25th through the 28th.

V. Settlement

Qwest will participate in any settlement or stipulation discussions to narrow or eliminate issues in this proceeding.

Dated: May 27, 2003

Respectfully submitted,



John F. Povilaitis
RYAN, RUSSELL, OGDEN & SELTZER LLP
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025
Phone: (717) 236-7714
Fax: (717) 236-7816
Email: JPovilaitis@RyanRussell.com

Kristin L. Smith
Senior Attorney
Qwest Communications
1801 California Street, Suite 4900
Denver, CO 80202
Phone: (303) 672-2820
Fax: (303) 295-7069
Email: klsmi23@qwest.com

Counsel for Qwest Communications Corporation

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In Re The Joint Application of	:	
Bell Atlantic Corporation and GTE	:	
Corporation for Approval of Agreement	:	
And Plan of Merger	:	Docket No. C-20027195
	:	
AT&T Communications of Pennsylvania, Inc.	:	
v. Verizon North, Inc.	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing documents in accordance with the requirements of 52 Pa. Code § 1.54 et seq. (relating to service by a participant).

VIA UPS OVERNIGHT MAIL

Susan Debusk Paiva, Esquire
Julia A. Conover, Esquire
Verizon Pennsylvania Inc.
1717 Arch Street 32 NW
Philadelphia, PA 19103
Bus. (215) 963-6068
Fax (215) 563-2658
suzan.d.paiva@verizon.com
julia.a.conover@verizon.com

VIA FIRST CLASS MAIL

Patricia Armstrong, Esquire
Thomas Thomas Armstrong & Niesen
212 Locust Street
Suite 500
Harrisburg, PA 17108
Bus. (717) 255-7627
Fax (717) 236-8278
parmstrong@ttanlaw.com

Zsuzsanna E. Benedek, Esquire
United Telephone
240 North Third Street
Suite 201
Harrisburg, PA 17101
Bus. (717) 236-1385
(717) 238-7844
sue.e.benedek@mail.sprint.com

Robert C. Barber, Esquire
AT&T Communications of PA Inc.
3033 Chain Bridge Road
Oakton, VA 222185
Bus. (703) 691-6061
Fax (703) 691-6093
rcharber@att.com

Russell M. Blau, Esquire
Swidter Berlin Shereff Friedman LLP
3000 K Street NW Suite 300
Washington, DC 20007-5116
Bus. (202) 424-7500
Fax (202) 424-7647
rmbblau@swidlaw.com

Steven C. Gray, Esquire
Angela T. Jones, Esquire
Office of Small Business Advocate
Suite 1102 Commerce Building
300 North Second Street
Harrisburg, PA 17101
Bus. (717) 783-2525
Fax (717) 783-2831
sgray@state.pa.us
anjones@state.pa.us


Kenneth L. Mickens, Esquire
PA Public Utility Commission
Office of Trial Staff
P.O. Box 3265
Harrisburg, PA 17105-3265
Bus. (717) 787-1976
Fax (717) 772-2677
kmickens@state.pa.us

Philip R. McClelland, Esquire
Shaun A. Sparks, Esquire
Office of Consumer Advocate
555 Walnut Street 5th Floor
Forum Place
Harrisburg, PA 17101-1923
Bus. (717) 783-5048
Fax (717) 783-7152
pmcclelland@paoca.org

Kristin Smith, Esquire
Carol Kuhnow, Esquire
Qwest Communications Corporation
1801 California Street, Suite 4900
Denver CO 80202
Bus. (303) 672-2820
Fax (303) 296-7069
klsmi23@qwest.com

Michelle Painter, Esquire
Carl D. Giesy, Esquire
MCI Worldcom Inc.
1133 19th Street NW
Washington, DC 20036
Bus. (202) 736-6204
Fax (202) 736-6242
michelle.painter@mci.com

Date: May 27, 2003



John F. Povilaitis
RYAN, RUSSELL, OGDEN & SELTZER LLP
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025
Phone: (717) 236-7714
Fax: (717) 236-7816
Email: JPovilaitis@RyanRussell.com

Counsel for Qwest Communications Corporation

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SECRETARY'S BUREAU

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Robert C. Barber
Senior Attorney

Room 3D
3033 Chain Bridge Road
Oakton, VA 22185
703 691-6061
FAX 703 691-6093
EMAIL rcbarber@att.com

REP

May 28, 2003

BY OVERNIGHT MAIL

DOCUMENT
FOLDER

James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Complaint of AT&T Communications of Pennsylvania, LLC.
v. Verizon North, Inc. and Verizon Pennsylvania Inc.
Docket No. C-20027195

Dear Mr. McNulty:

Please find enclosed for filing in the above-referenced docket the original and three (3) copies of AT&T Communications of Pennsylvania, LLC.'s Prehearing Memorandum.

Please do not hesitate to contact me with any questions regarding this filing.

Very truly yours,


Robert C. Barber

Enclosures

cc: (w/ encl)
The Honorable Cynthia W. Fordham
Service List

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MAY 28 2003

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

67

Certificate of Service
Docket No. C-20027195

The undersigned hereby certifies that true and correct copies of the Prehearing Memorandum of AT&T Communications of Pennsylvania, LLC. were caused to be served on the persons named below by electronic and overnight or regular mail in accordance with the requirements of 52 Pa. Code §§1.52 and 1.54:

Patricia Armstrong
PO Box 9500
Harrisburg, PA 17108
Fax – 717-236-8278
Phone – 717-255-7600
e-mail – parmstrong@ttanlaw.com
(for Rural Telephone Company Coalition)

Michelle Painter
MCI WorldCom, Inc.
1133 19th Street, NW
Washington, DC 20036
Fax – 202-736-6242
Phone – 202-736-6204
e-mail – Michelle.Painter@wcom.com
(for MCI WorldCom, Inc.)

Philip F. McClelland*
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Fax – 717-783-7152
Phone – 717-783-5048
e-mail – pmcclelland@paoca.org
(for Office of Consumer Advocate)

Zsuzsanna E. Benedek
1201 Walnut Bottom Road
Carlisle, PA 17013-0905
Fax – 717-245-6213
Phone – 717-245-6346
e-mail – sue.e.benedek@mail.sprint.com
(for Sprint Communications Company, L.P. and
The United Telephone Company of
Pennsylvania)

Alan Kohler
Daniel Clearfield
Wolf Block Schorr & Solis-Cohen
Locust Court, Suite 300
212 Locust Street
Harrisburg, PA 17101
Fax – 717-237-7161
Phone – 717-237-7160

Angela, Esq.
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
Fax – 717-783-2831
Phone – 717-783-2525

Julia A. Conover, Esq.*
Verizon Pennsylvania, Inc.
1717 Arch Street 32 NW
Philadelphia, PA 19103
Fax – 215-563-2658
Phone – 215-963-6001
e-mail – Julia.A.Conover@verizon.com
(for Verizon Pennsylvania Inc.)

Kenneth Mickens, Esq.
Pennsylvania Public Utility Commission
Office of Trial Staff
P.O. Box 3265
Harrisburg, PA 17105-3265
Fax – 717-772-2677
Phone – 717-783-6155

Dated: May 28, 2003

* By overnight mail


Robert C. Barber

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

ORIGINAL

AT&T COMMUNICATIONS OF
PENNSYLVANIA, LLC,

v.

Docket No. C-20027195

VERIZON NORTH INC.
and
VERIZON PENNSYLVANIA INC.,

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**AT&T COMMUNICATIONS OF PENNSYLVANIA, INC.'S
PREHEARING MEMORANDUM**

Pursuant to the Prehearing Order of May 20, 2003 and Section 333 of the Public Utility Code, 66 Pa. C.S. §333, and in anticipation of the prehearing conference scheduled in this matter for May 29, 2003, AT&T Communications of Pennsylvania, LLC. ("AT&T"), through its counsel, provides the following information concerning its participation in the above-captioned proceeding.

DOCUMENT
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I. HISTORY OF PROCEEDINGS

The Commission's Order of May 5, 2003 sets forth the background of this specific proceeding.¹ AT&T is a participant by virtue of the complaint it filed against *Verizon North Inc. and Verizon Pennsylvania Inc. (together, "Verizon")* on March 21, 2002, as well as the comments it filed in response to Verizon's Joint Petition on February 18, 2003.

¹ See Order, Docket No. C-20027195 et al., May 5, 2003, at 2-4.

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II. Issues and Witnesses

The Commission's May 5, 2003 Order describes AT&T as opposing Verizon's Joint Petition.² That shorthand description, however, only partially captures AT&T's position with regards to Verizon's Joint Petition. Indeed, AT&T does not oppose that aspect of Verizon's proposal insofar as it contemplates the complete elimination of the Carrier Charge for both Verizon companies.

What AT&T does oppose is a result that would preserve the rates for any other element of Verizon's intrastate carrier access charges, such as the traffic sensitive switching element, at levels that are substantially in excess of the minimal cost of providing those services. Whatever justification may have once existed for pricing Verizon's access services above cost – and there never has been a compelling rationale for this practice – it has been completely extinguished with Verizon's entrance as a competitor into Pennsylvania's long distance market. Certainly it makes no sense for AT&T (or other interexchange carriers) to subsidize the operations of their newest and largest competitor. Indeed, perpetuating Verizon's carrier access rates at levels in excess of cost will leave AT&T at a substantial -- and perhaps insurmountable -- disadvantage in competing against Verizon's new long distance plans, such as the flat-rated Freedom plans, as well as the unlimited calling plans of other entities, such as wireless carriers, who in many (and perhaps most) cases do not pay access charges for toll calls.

Accordingly, the central issue that AT&T intends to pursue in this proceeding is the reduction of all of the Verizon's companies' access rates to cost-based levels.

² Order at 4-5.

AT&T currently anticipates presenting the following witness in this proceeding in support of its position:

Robert Kirchberger
E. Christopher Nurse

The need for different and/or additional witnesses may be identified as the proceeding progresses. AT&T will promptly notify the parties and presiding officer in the event of any such changes.

III. Schedule

AT&T has been involved in discussions with other parties to the proceeding aimed at developing a consensus schedule. AT&T understands that the results of those discussions will be set forth in the prehearing memorandum to be submitted by the Office of Consumer Advocate.

IV. Service on AT&T

AT&T anticipates that it will be represented in this case by the following counsel, who all should be served with copies of all documents in this proceeding:

Robert C. Barber, Esq.
AT&T Communications of Pennsylvania, LLC.
Room 3-D
3033 Chain Bridge Road
Oakton, VA 22185
Tel: (703) 691-6061
Fax: (703) 691-6093

Daniel Clearfield, Esq.
Alan Kohler, Esq.
Wolf, Block, Schorr & Solis-Cohen
212 Locust Street, Suite 300
Harrisburg, PA 17101-1236
Tel: (717) 237-7160
Fax: (717) 237-7161

V. SETTLEMENT

AT&T is amenable to participating in any settlement or stipulation discussions to narrow or eliminate issues in this proceeding. However, for the reasons discussed in section II above, AT&T will not agree to any negotiated resolution of this proceeding that preserves the rates for Verizon's carrier access services at above-cost levels.

Respectfully submitted,

**AT&T COMMUNICATIONS
OF PENNSYLVANIA, LLC.**

By its Attorneys,



Robert C. Barber
3033 Chain Bridge Road
Oakton, VA 22185
(703) 691-6061

Of Counsel:
Mark Keffer

Daniel Clearfield
Alan Kohler
Wolf, Block, Schorr and Solis-Cohen
Locust Court, Suite 300
212 Locust Street
Harrisburg, PA 17101
(717) 237-7160

Dated: May 28, 2003

Suzan DeBusk Paiva
Assistant General Counsel
Law Department

ORIGINAL



DOCUMENT
FOLDER

REP

Verizon Pennsylvania Inc.
1717 Arch Street, 32NW
Philadelphia, PA 19103

Tel: (215) 963-6068
Fax: (215) 563-2658
Suzan.D.Paiva@Verizon.com

May 28, 2003

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MAY 28 2003

Via UPS Overnight Delivery
James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: AT&T Communications of Pennsylvania, Inc., v. Verizon
North Inc., Docket No. C-20027195

Dear Secretary McNulty:

Enclosed please find an original and three copies of the Prehearing Memorandum of Verizon Pennsylvania Inc. and Verizon North Inc. in reference to the above-captioned matter.

Please do not hesitate to contact me if you have any questions regarding this matter.

Very truly yours,

Suzan DeBusk Paiva

SDP/dkf
Enc.

Via E-Mail and UPS Overnight Delivery
cc: The Honorable Cynthia Williams Fordham
Attached Certificate of Service

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

MAY 28 2003

AT&T COMMUNICATIONS OF
PENNSYLVANIA, INC.,

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

v.

Docket No. C-20027195

VERIZON NORTH INC.

DOCUMENT
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PREHEARING MEMORANDUM OF
VERIZON PENNSYLVANIA INC. AND VERIZON NORTH INC.

Verizon Pennsylvania Inc. ("Verizon PA") and Verizon North Inc.

("Verizon North") (collectively "Verizon") submit this Prehearing Memorandum for purposes of the prehearing conference scheduled for May 29, 2003.

I. HISTORY OF PROCEEDING

This proceeding considers a proposal put forth by the Verizon companies to reduce the intrastate switched access charges paid by interexchange carriers ("IXCs") to use Verizon's local network to originate or terminate calls, with the resulting lost revenue off-set by revenue neutral increases to local rates.¹ Verizon made this proposal in response to the Commission's Order approving the merger between Bell Atlantic and GTE (creating Verizon), requiring that the parties by December 31, 2002 propose a means to achieve "parity" in the intrastate access

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¹ It is an absolute condition of Verizon's agreement to such reductions that they be offset by revenue neutral rate increases. By making this proposal in the interest of resolving this matter and allowing for a uniform mechanism of ILEC access reform, Verizon does not waive its right to oppose access reductions should any of the material conditions of Verizon's proposal not be accepted.

charges of Verizon PA and Verizon North.² The proposal also responds to a complaint by AT&T Communications of Pennsylvania, Inc. (“AT&T”) seeking to reduce Verizon North’s intrastate access charges to the level of Verizon PA’s, and also responds more generally to the Commission’s generic access investigation initiated by the *Global Order*. A comprehensive history of these proceedings is included in the Prehearing Order. The proposal has already been published in the Pennsylvania Bulletin and subject to a round of comments and reply comments.

The Verizon proposal is modeled upon and virtually identical in substance to a December 16, 2002 settlement filed by a group of other ILECs and the public advocates (the “RTCC Settlement”).³ The RTCC Settlement proposed to reduce intrastate switched access charges and to offset those reductions by revenue neutral rate increases for the companies involved in the settlement. That settlement included most or all of the non-Verizon ILECs in the state, and is currently before ALJ Schnierle for disposition.

² *Re: Joint Application of Bell Atlantic Corporation and GTE Corporation for Approval of an Agreement and Plan of Merger*, Docket Nos. A-310200F0002, etc., (Opinion and Order entered November 4, 1999) (“*Merger Approval Order*”). The *Merger Approval Order* does not provide clear guidance as to what Verizon access rates should result from this proceeding. While the Memorandum of Understanding adopted by the Commission mentions “statewide” rates and the Order mentions “parity,” neither document expressly requires that the rates match each other exactly. Moreover, even if such a match were required, it would be a reasonable interpretation that it could be achieved by merging the companies’ rate structures without any total revenue reduction.

³ The parties to the settlement were the Rural Telephone Company Coalition (“RTCC”), United Telephone Company of Pennsylvania, d/b/a Sprint (“Sprint”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”) and the Office of Trial Staff (“OTS”).

Historically, access pricing has been part of a public policy to keep “basic local service rates lower than might otherwise be the case in high cost areas,” and contributions from services, such as access, that are priced above their costs have supported this “public policy.”⁴ The Commission has acknowledged that in any access investigation these “implicit subsidies” must be replaced with “‘explicit and sufficient’ support mechanisms to attain the goal of universal service in a competitive environment.”⁵ Verizon asserts that in this case the best replacement for the revenues lost through access reductions would be limited increases to basic local rates – the same mechanism approved by the public parties and under consideration for the remainder of the industry.

Currently, Verizon PA has by far the lowest access rates in the Commonwealth, due in part to the fact that it has already reduced its access rates by approximately \$90 million in annual revenue (funded through means other than raising end-user rates) over the past 5 years in compliance with the *Global Order*. Verizon North’s rates are more akin to those of all the other ILECs in Pennsylvania that are part of the RTCC Settlement.

Within a similar framework to the RTCC Settlement, Verizon has proposed a somewhat flexible mechanism by which the Commission could choose to reduce Verizon North’s rates to the current level of Verizon PA’s rates and stop there, or could take the extra step of further reducing both companies’ rates. In either case,

⁴ *Joint Petition of Nextlink Pennsylvania, Inc.*, No. P-00991648-1649 (Opinion and Order entered September 30, 1999) (“*Global Order*”) at 11.

off-setting increases to basic rates are an absolute condition to Verizon's agreement to any reductions. The IXC's, such as AT&T, MCI and Qwest, stand to benefit by substantial reductions to Verizon North's rates, and perhaps even additional reductions to Verizon PA's already low rates. The public parties are supporting virtually the identical provisions for access reductions by Sprint and the other ILECs.

II. SERVICE LIST

Please include the following counsel for Verizon on the service list for this matter:

Julia A. Conover
Suzan DeBusk Paiva
Verizon
1717 Arch Street, 32N
Philadelphia, PA 19103
Tel: 215-963-6001/6068
Fax: 215-563-2658
E-Mail: julia.a.conover@verizon.com
suzan.d.paiva@verizon.com

III. DISCOVERY

Verizon has already responded to a substantial amount of formal discovery from the other parties during the period following the December 30, 2002 filing of Verizon's proposal. At the parties' request, Verizon has also produced cost studies supporting the costs of providing access service, dial tone line service and vertical features, and has provided for on-line access to supporting calculations and back-up for these cost studies. The parties have had these studies for a number of

⁵ *Global Order* at 26-27.

months already. Verizon has also provided information on an informal basis to some parties for purposes of settlement discussions. While Verizon does not see much need for additional discovery, Verizon is agreeable to responding to reasonably limited and nonduplicative discovery during the period preceding the hearings in this matter. Verizon may also serve discovery within this period.

Verizon has also reviewed the modifications to the discovery regulations proposed in OCA's prehearing memorandum. Verizon will agree to modifications A, F and G, providing that answers to written interrogatories, document requests and requests for admission will be served in-hand (including e-mail service) within 10 calendar days of service, upon the following additional conditions:

1. Interrogatories must be served by e-mail or fax, with a confirming overnight copy.
2. Service of interrogatories after 3:00 on a Friday or the day before a holiday will be considered service on the next business day.
3. The obligation to answer within 10 days will be on a best efforts basis.

In light of the potential work stoppage in August (discussed below), so that many Verizon employees who may be the sources of the documents or information have mandatory strike training and/or are required to take their vacations in June and July, and also will be on strike duty in the event of a work stoppage in August, Verizon cannot guarantee its

ability to meet stringent deadlines during this time period, although it will make its best efforts to do so.

Verizon does not agree to modifications B, C, D and E. Verizon believes these modifications will only serve to require the parties to take every discovery dispute to the judge without making their best efforts first to resolve the disputes amicably, and without even having reasonable time to review the data the is provided. Rather, objections should be provided along with the responses within 10 days, and the parties may use their discretion as to when, or if, they will move to compel. The ALJ should set the schedule for arguing and resolving such motions on a case by case basis. As to modification H, regarding on-the-record data requests, while the time period is not objectionable, if the record is to close on August 27 as proposed there would appear to be no reason to have on-the-record data requests.

IV. SETTLEMENT

Various parties have discussed settlement, and the parties have scheduled a meeting of the entire group to further discuss settlement. Verizon remains amenable to participating in such discussions and is hopeful that this matter can be resolved.

V. ISSUES

The issues to be resolved in this proceeding include:

1. Changes to the access rate structure of Verizon North and Verizon PA to align the rate structures of the two companies with each other and with the rate structure for interstate access charges.
2. Whether, and to what extent, Verizon North and/or Verizon PA should, following this rate restructuring, also reduce access rates.
3. Implementation of revenue-neutral local rate increases to off-set the revenue lost through any access reductions.

VI. PROPOSED SCHEDULE

Counsel for the parties have conferred and have agreed upon a schedule which is set forth in the prehearing memorandum of OCA. As Verizon has advised the parties, Verizon faces the possibility of a work stoppage by its Union employees commencing at midnight on August 2, 2003. The parties have scheduled testimony filings to be completed before the potential work stoppage. However, if a work stoppage impedes the parties' ability to complete discovery or meet the hearing dates, the parties will need to seek a modification of the schedule.

VII. WITNESSES

Verizon anticipates at this time that it will present the following witnesses, but reserves the right to present additional witnesses or topics based on the issues raised by the other parties, or to withdraw or modify its designation of witnesses as necessary:

Cost issues: Verizon anticipates a panel of approximately two cost witnesses, identity to be determined, to address issues relating to costs of service.

Access issues: Verizon anticipates a panel, tentatively consisting of Debra M. Berry and Michael J. Wirl, to address issues relating to the current and proposed access rates, the workings of Verizon's proposal and policy issues relating to access pricing.

VIII. PROPRIETARY ORDER

This proceeding requires the exchange of proprietary information. To date, the parties have been operating under the proprietary order from the merger docket. However, in light of the Commission's placement of the issues under a new docket number, it would be prudent to enter a new proprietary order in this proceeding. Attached to this prehearing memorandum is a draft Protective Order to govern the production of proprietary information in this matter that is essentially the same as the Order used in other recent Verizon PA proceedings (including the merger proceeding).

IX. MISCELLANEOUS ISSUES

1. If it is acceptable to the presiding officer, Verizon requests that an electronic (e-mail) service list be compiled, and that all discovery requests, discovery responses, testimony and briefs be served via e-mail with a confirming hard copy by over-night mail.

2. Verizon is amenable to offering training to any interested representatives of the parties regarding use of the on-line access to Verizon's cost studies and

supporting material. This one-day training session would be consolidated with the training session being scheduled for the Consolidated Loop Proceeding (R-00028028) and Verizon will coordinate with the interested parties to schedule a mutually convenient date.

Respectfully submitted,

Date: May 28, 2003

A handwritten signature in black ink, appearing to read 'Suzan DeBusk Paiva', written over a horizontal line.

Julia A. Conover
Suzan DeBusk Paiva
1717 Arch Street, 32N
Philadelphia, PA 19103
(215) 963-6068

Counsel for Verizon
Pennsylvania Inc.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**AT&T COMMUNICATIONS OF
PENNSYLVANIA, INC.,**

v.

VERIZON NORTH INC.

:
:
:
:
:
:

Docket No. C-20027195

RECEIVED

MAY 28 2003

PROTECTIVE ORDER

IT IS ORDERED THAT:

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

1. This Protective Order, submitted by Verizon Pennsylvania Inc.

and Verizon North Inc., is hereby granted with respect to all materials and information identified at Paragraph 2 of this Protective Order which are filed with the Commission, produced in discovery, or otherwise presented during these proceedings. All persons now and hereafter granted access to the materials and information identified in Paragraph 2 of this Protective Order shall use and disclose such information only in accordance with this Order.

2. The materials subject to this Order are all correspondence, documents, data, information, studies, methodologies and other materials which a party or an affiliate of a party furnishes in this proceeding pursuant to Commission rules and regulations, discovery procedures or cross-examination or provides as a courtesy to a party to this proceeding, which are claimed to be of a proprietary or confidential nature and which are designated "PROPRIETARY INFORMATION" (hereinafter collectively referred to as "Proprietary Information").

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In addition, the parties may designate extremely sensitive Proprietary Information as "HIGHLY CONFIDENTIAL" (hereinafter referred to as "Highly Confidential Information") and thus secure the additional protections set forth in this Order pertaining to such material. Such "HIGHLY CONFIDENTIAL" information shall be only such Proprietary information that constitutes or describes the producing party's marketing plans, competitive strategies, market share projections, marketing materials that have not yet been used, customer-identifying information, or customer prospects for services that are subject to competition.

3. Proprietary Information and Highly Confidential Proprietary Information shall be made available to the Commission and its Staff for use in this proceeding. For purposes of filing, to the extent that Proprietary Information is placed in the Commission's report folders, such information shall be handled in accordance with routine Commission procedures inasmuch as the report folders are not subject to public disclosure. To the extent that Proprietary Information or Highly Confidential Proprietary Information is placed in the Commission's testimony or document folders, such information shall be separately bound, conspicuously marked, and accompanied by a copy of this Order. Public inspection of Proprietary Information and Highly Confidential Proprietary Information shall be permitted only in accordance with this Protective Order.

4. Proprietary Information and Highly Confidential Proprietary

Information shall be made available to counsel of record in this proceeding pursuant to the following procedures.

a. Proprietary Information. To the extent required for participation in this proceeding, a party's counsel may afford access to Proprietary Information made available by another party ("the producing party") to the party's expert(s), subject to the following restrictions.

i. Such expert(s) may not hold any of the following positions with any competitor of the producing party: (a) an officer, board member, stockholder, partner, owner other than stock of the producing party or an employee of any competitor of the producing party who is primarily involved in the pricing, development, and/or marketing of products or services that are offered in competition with those of the producing party; or (b) an officer, board member, stockholder, partner, owner other than stock of any affiliate of a competitor of the producing party; provided, however, that any expert shall not be disqualified on account of being a stockholder, partner, or owner unless his/her interest in the business constitutes a significant potential for violation of the limitations of permissible use of the Proprietary Information. For purposes of this Order, stocks, partnership, or other ownership interest valued at less than \$100,000 and/or constituting less than a 2% interest in a business does not, in itself, establish a significant potential for violation.

ii. If a party's independent expert, another member of the independent expert's firm or the independent expert's firm generally also serves as an expert for, or as a consultant or advisor to a competitor or any affiliate of a competitor of the producing party, said independent expert must: (1) advise the producing party of the competitor's or affiliate's name(s); (2) make reasonable attempts to segregate those personnel assisting in the expert's participation in this proceeding from those personnel working on behalf of a competitor or any affiliate of a competitor of the producing party; and (3) if segregation of such personnel is impractical, the independent expert shall give to the producing party written assurances that the lack of segregation will in no way jeopardize the interests of the producing party. The producing party retains the right to challenge the adequacy of the written assurances that its interests will not be jeopardized.

b. Highly Confidential Proprietary Information.

Proprietary Information or other material designated as "Highly Confidential" shall be produced for inspection by a party's counsel of record only. If the inspecting lawyer desires copies of such material, or desires to disclose its contents to persons other than counsel of record, she or he shall submit a written request to the producing party's counsel. If requesting and producing parties are unable to reach agreement with respect to such a request, they may submit the issue orally to the presiding Administrative Law Judge.

c. No other persons may have access to the Proprietary or Highly Confidential Information except as authorized by order of the Commission or of the presiding Administrative Law Judge. No person who may be entitled to receive, or who is afforded access to any Proprietary or Highly Confidential Information shall use or disclose such information for the purposes of business or competition, or any purpose other than the preparation for and conduct of this proceeding or any administrative or judicial review thereof.

5. Prior to making Proprietary or Highly Confidential Information available to any person as provided in paragraph 4 of this Protective Order, counsel shall deliver a copy of this Order to such person and shall receive a written acknowledgment from that person in the form attached to this Order and designated as Appendix A. Counsel shall promptly deliver to the producing party a copy of the executed acknowledgment form.

6. A producing party shall designate data or documents as constituting or containing Proprietary or Highly Confidential Information by affixing an appropriate proprietary stamp or typewritten designation on such data or documents. Where only part of data compilations or multi-page documents constitutes or contains Proprietary or Highly Confidential Information, the producing party shall designate only the specific data or pages of documents which constitute or contain Proprietary or Highly Confidential Information.

7. Any public reference to Proprietary or Highly Confidential Information by counsel or persons afforded access thereto shall be to the title or exhibit reference in sufficient detail to permit persons with access to the Proprietary or Highly Confidential Information to fully understand the reference and not more. The Proprietary or Highly Confidential Information shall remain a part of the record, to the extent admitted, for all purposes of administrative or judicial review.

8. *Parts of any record in this proceeding containing Proprietary or Highly Confidential Information, including but not limited to all exhibits, writings, testimony, cross examination, argument and responses to discovery, and including reference thereto as mentioned in ordering paragraph 7 above, shall be sealed for all purposes, including administrative and judicial review, unless such Proprietary or Highly Confidential Information is released from the restrictions of this Order, either through the agreement of the parties or pursuant to order of the Administrative Law Judge or the Commission. Unresolved challenges arising under paragraph 9 shall be decided on motion or petition by the presiding officer or the Commission as provided by 52 Pa. Code §5.423(a). All such challenges will be resolved in conformity with existing rules, regulations, orders, statutes, precedent, etc., to the extent that such guidance is available.*

9. The parties affected by the terms of this Order shall retain the right to question or challenge the confidential or proprietary nature of Proprietary

or Highly Confidential information; to question or challenge the admissibility of Proprietary or Highly Confidential Information; to refuse or object to the production of Proprietary or Highly Confidential Information on any proper ground, including but not limited to irrelevance, immateriality or undue burden; to seek an order permitting disclosure of Proprietary or Highly Confidential Information beyond that allowed in this Order; and to seek additional measures of protection of Proprietary or Highly Confidential Information beyond those provided in this Order. If a challenge is made to the designation of a document or information as Proprietary or Highly Confidential, the party claiming that the information is Proprietary or Highly Confidential retains the burden of demonstrating that the designation is necessary and appropriate.

10. Upon completion of this proceeding, including any administrative or judicial review, all copies of all documents and other materials, including notes, which contain any Proprietary or Highly Confidential information shall be immediately returned upon request to the party furnishing such Proprietary or Highly Confidential Information. In the alternative, parties may provide an affidavit of counsel affirming that the materials containing or reflecting Proprietary or Highly Confidential Information have been destroyed.

Dated: _____

CYNTHIA WILLIAMS FORDHAM
Administrative Law Judge

MAY 28 2003

APPENDIX A

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

AT&T COMMUNICATIONS OF
PENNSYLVANIA, INC.,

v.

VERIZON NORTH INC.

:
:
:
:
:

Docket No. C-20027195

TO WHOM IT MAY CONCERN:

The undersigned is the _____ of
_____ (the retaining party) and is not, or has no knowledge or
basis for believing that he/she is: (1) an officer, board member, stockholder, partner or
owner other than stock of any competitor of _____
(the "Producing Party") or an employee of any competitor of the Producing Party who is
primarily involved in the pricing, development, and/or marketing of products or services
that are offered in competition with those of the Producing Party; or (2) an officer, board
member, stockholder, partner, or owner other than stock of any affiliate of a Competitor
of the Producing Party.

The undersigned has read and understands the Protective Order that deals with the
treatment of Proprietary and Highly Confidential Information. The undersigned agrees to
be bound by, and comply with, the terms and conditions of said Order. In the case of an
independent expert, the undersigned represents that he/she has complied with the
provisions of paragraph 4 (a)(ii) of the Order prior to submitting this Affidavit.

DOCUMENT
FOLDER

DATE

SIGNATURE

PRINT NAME

ADDRESS

EMPLOYER

CERTIFICATE OF SERVICE

I, Suzan DeBusk Paiva, hereby certify that I have this day served a copy of the Prehearing Memorandum of Verizon Pennsylvania Inc. and Verizon North Inc., upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (related to service by a participant) and 1.55 (related to service upon attorneys).

Dated at Philadelphia, Pennsylvania, this 28th day of May, 2003.

VIA UPS OVERNIGHT DELIVERY

Patricia Armstrong, Esquire *
Thomas, Thomas, Armstrong
& Niesen
212 Locust Street, Suite 500
Harrisburg, PA 17108

Zsuzanna Benedek, Esquire
Sprint Communications Company LP
240 North Third Street, Suite 201
Harrisburg, PA 17101

Robert C. Barber, Esquire
AT&T Communications of PA
3033 Chain Bridge Road
Oakton, VA 22185

Russell M. Blau, Esquire
Swidler Berlin Shereff Friedman
3000 "K" Street, N.W., Suite 300
Washington, DC 20007-5116

Steven C. Gray, Esquire
Angela Jones, Esquire
Office of Small Business Advocate
300 North 2nd St, Suite 1102
Harrisburg, PA 17101

Kenneth Mickens, Esquire
PA Public Utility Commission
Office of Trial Staff
Commonwealth Keystone Building
Second Floor West
400 North Street
Harrisburg, PA 17120

Philip F. McClelland, Esquire
Shaun A. Sparks, Esquire
Office of Consumer Advocate
555 Walnut Street, 5th Floor
Harrisburg, PA 17101-1923

Michelle Painter, Esquire
Carl D. Giesy, Esquire
MCI WorldCom, Inc.
1133 19th Street, NW
Washington, DC 20036


John F. Povilaitis, Esquire
Ryan, Russell, Ogden & Seltzer LLP
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025

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MAY 28 2003

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

* public version only


Suzan DeBusk Paiva
Verizon Pennsylvania Inc.
And Verizon North Inc.
1717 Arch Street, 32NW
Philadelphia, PA 19103
(215) 963-6068

ORIGINAL

May 28, 2003

REP

RECEIVED

Via Overnight Delivery

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

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FOLDER

MAY 28 2003

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: AT&T Communications of Pennsylvania, Inc. v. Verizon North,
Inc., Docket No. C-20027195

Dear Mr. McNulty:

Please find enclosed an original and nine (9) copies of MCI WorldCom Network Services, Inc.'s Prehearing Memorandum in the above referenced case.

Please contact me if you have any questions or concerns with this filing.

Very truly yours,


Michelle Painter

Enclosure

cc: The Honorable Cynthia W. Fordham (via e-mail and overnight delivery)
Service List (as noted)

SERVICE LIST

I hereby certify that I have this day caused a true copy of MCI's Prehearing Memorandum to be served upon the parties of record in Docket NoC-20027195 in accordance with the requirements of 52 Pa. Code Sections 1.52 and 1.54 in the manner and upon the parties listed below.

Dated in Washington, DC on May 28, 2003

VIA E-MAIL AND OVERNIGHT DELIVERY

Patricia Armstrong
Thomas, Thomas, Armstrong & Niesen
212 Locust Street, Suite 500
Harrisburg, PA 17108
Phone – 717-255-7627

Suzan DeBusk Paiva
Verizon
1717 Arch Street, 32N
Philadelphia, PA 19103
Phone – 717-963-6068

Ken Mickens
Pennsylvania Public Utility Commission
Office of Trial Staff – 2nd Floor
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
Phone – 717-787-1976

Angela Jones
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
Phone – 717-783-2525

Sue Benedek
United Telephone
240 North Third Street, Suite 201
Harrisburg, PA 17101
Phone – 717-236-1385

Robert C. Barber
AT&T
3033 Chain Bridge Road
Oakton, VA 22185
Phone – 703-691-6061

Phil McClelland
Office of Consumer Advocate
555 Walnut Street, 5th Floor
Harrisburg, PA 17101
Phone – 717-783-5048

John F. Povilaitis
Ryan, Russell, Ogden & Seltzer
800 North Third Street, Suite 101
Harrisburg, PA 17102
Phone – 717-236-7714

Russell Blau
Swidler Berlin Shereff Friedmann
3000 K Street, NW
Washington, DC 20007
202-424-7500

A handwritten signature in cursive script that reads "Michelle Painter". The signature is written in black ink and is positioned above a horizontal line.

Michelle Painter

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

AT&T Communications of :
Pennsylvania, Inc., :
 :
v. : Docket No. C-20027195
 :
Verizon North Inc. :

**PREHEARING MEMORANDUM OF
MCI WORLDCOM NETWORK SERVICES, INC.**

In accordance with the May 20, 2003 Prehearing Order and 52 Pa. Code Section 5.222, MCI WorldCom Network Services, Inc. ("MCI") submits this Prehearing Memorandum in the above-captioned matter.

DOCUMENT
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I. INTRODUCTION

On May 5, 2003, the Commission entered an Order referring access issues related to Verizon Pennsylvania, Inc. and Verizon North, Inc. (collectively "Verizon") to the Office of Administrative Law Judge ("OALJ") for evidentiary hearings and a recommended decision.

On December 30, 2002, Verizon filed a Joint Petition (Verizon Joint Petition) regarding the reduction of their access charges pursuant to the Bell Atlantic-Pa.-GTE Merger Order,¹ the Global Order of 1999², and the generic access charge investigation at

¹ *Re Joint Application of Bell Atlantic Corporation and GTE Corporation for Approval of Agreement and Plan of Merger*, Docket Nos. A-310200F0002, A-311350F0002, and A-310222F0002, (November 4, 1999) (Merger Order).

² *Re Nextlink Pennsylvania, Inc.*, Docket No. P-00991648; P-00991649, 93 PaPUC 172 (September 30, 1999) (Global Order); 196 P.U.R. 4th 172, *aff'd sub nom. Bell Atlantic-Pennsylvania, Inc. v. Pennsylvania Public Utility Commission*, 763 A.2d 440 (Pa.Cmwlt. 2000), *alloc. granted*.

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MAY 30 2003

M-00021596. On February 20, 2003, MCI filed comments regarding Verizon's access rate proposal.

AT&T filed a formal Complaint against Verizon North, Inc.'s access charges on March 21, 2002. Although MCI was not involved in that matter, MCI does have an interest in Verizon North, Inc.'s access charges, as evidenced by MCI's February 2003 comments.

On May 8, 2003, the Commission issued a Notice establishing a Prehearing Conference on May 29, 2003. ALJ Cynthia Fordham issued a Prehearing Order on May 20, 2003. *This Memorandum is being submitted consistent with that Order.*

II. ISSUES

MCI intends to address the structure and level of Verizon's intrastate switched access charges and the need to bring such rates in line with economic cost. The issues addressed will include the detrimental economic and policy impacts of having above-cost access rates. MCI also intends to address the need to modify the rate structure of the access charges for both Verizon Pennsylvania, Inc. and Verizon North, Inc. In modifying the access rate structure and levels, MCI also intends to address Verizon's alleged need for revenue neutral rebalancing.

Some, but not all, of the resolutions MCI will request in this case include the following:

- a) elimination of the equal access recovery charge (EARC);
- b) elimination of the CCL charge, or a demonstration that the CCL revenues do not lead to over collection of the forward looking costs of the local loop;

- c) reduction of the local switching rate element of intrastate switched access service to cost-based levels and implementation of a flat rated intrastate switched access rate structure.

MCI's testimony in this case will be consistent with its February 2003 comments.

III. WITNESSES

At this time, MCI has not identified its exact witness or witnesses in this case.

MCI's witnesses will testify in response to the issues raised by Verizon's direct testimony in this case. MCI's witnesses will also testify about the economic and policy reasons to modify the structure of access rates and to have cost-based access rates.

IV. REPRESENTATION

The following counsel will represent MCI in this case:

Michelle Painter, Esquire
MCI
1133 19th Street, NW
Washington, DC 20036
(202) 736-6204
(202) 736-6242 – fax
Michelle.Painter@mci.com

Kathleen Misturak-Gingrich, Esquire
Eckert Seamans Cherin & Mellott, LLC
213 Market Street, 8th Floor
Harrisburg, PA 17101
(717) 237-6067
(717) 237-6019
kmg@escm.com

V. SCHEDULE

The parties have discussed a schedule, and MCI has agreed upon the below schedule for this case:

Verizon Direct Testimony	June 25, 2003
Other Parties' Reply Testimony	July 18, 2003
Verizon Rebuttal Testimony	August 4, 2003
Hearings	August 25-27, 2003
Main Briefs	September 16, 2003
Reply Briefs	September 26, 2003
Recommended Decision	November 5, 2003

MCI requests that the testimony be served via e-mail on the due dates listed above, with overnight delivery for hard copies to all parties.

MCI requests that the discovery response times be shortened to ten (10) days. Objections to discovery should be served within seven (7) days, with Motions to Compel being filed within five (5) days of receiving objections. MCI requests that there be no deadline for discovery.

Respectfully Submitted,

Michelle Painter

Michelle Painter, Esq.

MCI

1133 19th Street, NW

Washington, DC 20036

(202) 736-6204

Facsimile: (202) 736-6242

E-mail: Michelle.Painter@wcom.com

Kathleen Misturak-Gingrich, Esquire

Eckert Seamans Cherin & Mellott, LLC

213 Market Street, 8th Floor

Harrisburg, PA 17101

(717) 237-6067

Facsimile: (717) 237-6019

E-mail: kmg@escm.com

Dated: May 28, 2003

Thomas, Thomas, Armstrong & Niesen
Attorneys and Counsellors at Law

SUITE 500
212 LOCUST STREET
P. O. BOX 9500
HARRISBURG, PA 17108-9500

ORIGINAL

PATRICIA ARMSTRONG
Direct Dial: (717) 255-7627
E-Mail: parmstrong@ttanlaw.com

www.ttanlaw.com
FIRM (717) 255-7600
FAX (717) 236-8278

CHARLES E. THOMAS
(1913 - 1998)

May 28, 2003

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
P. O. Box 3265
Harrisburg, PA 17105-3265

DOCUMENT FOLDER

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03 MAY 28 PM 3:44
PA.P.U.C.
SECRETARY'S BUREAU

Re: AT&T Communications of Pennsylvania, Inc.
v. Verizon North Inc.
Docket No. C-20027195

Dear Secretary McNulty:

Enclosed on behalf of the Rural Telephone Company Coalition are an original and three (3) copies of the Coalition's Prehearing Memorandum in the above captioned proceeding. Copies of this Prehearing Memorandum have been served in accordance with the attached Certificate of Service.

Very truly yours,

THOMAS, THOMAS, ARMSTRONG & NIESEN

By

Patricia Armstrong
Patricia Armstrong

Enclosure

cc: Certificate of Service
Honorable Cynthia W. Fordham (w/encl.)

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Before The
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Administrative Law Judge
Cynthia Williams Fordham, Presiding

DOCUMENT FOLDER

AT&T Communications of Pennsylvania, Inc.

Docket No. C-20027195

v.

Verizon North Inc.

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PREHEARING MEMORANDUM
OF
THE RURAL TELEPHONE COMPANY COALITION

In accordance with the Prehearing Order, dated May 20, 2003, The Rural Telephone Company Coalition ("RTCC")¹ submits this Prehearing Memorandum to the presiding officer, Judge Cynthia W. Fordham and to all other parties. On February 18, 2003, RTCC filed comments in response to the publication in the *Pennsylvania Bulletin* of the Joint Access Proposal submitted by Verizon Pennsylvania Inc. and Verizon North Inc. at A-310200F0002, *et al.*, P-00991648, *et al.* and C-20027195.

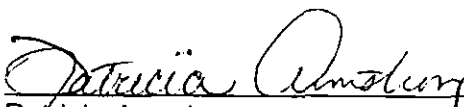
¹ALLTEL Pennsylvania, Inc. ("ALLTEL"), Armstrong Telephone Company - PA, Armstrong Telephone Company-North, Bentleyville Communications Corporation, d/b/a The Bentleyville Telephone Company, Buffalo Valley Telephone Company ("Buffalo Valley"), Citizens Telephone Company of Kecksburg, Citizens Telecommunications Company of New York, Commonwealth Telephone Company ("Commonwealth"), Conestoga Telephone and Telegraph Company ("Conestoga"), Denver and Ephrata Telephone and Telegraph Company ("D&E"), Deposit Telephone Company, Frontier Communications of Breezewood, Inc., Frontier Communications of Canton, Inc., Frontier Communications of Lakewood, Inc., Frontier Communications of Oswayo River, Inc., Frontier Communications of Pennsylvania, Inc. ("Frontier PA"), The Hancock Telephone Company, Hickory Telephone Company, Ironton Telephone Company, Lackawaxen Telecommunications Services, Inc., Laurel Highland Telephone Company, Mahanoy & Mahantango Telephone Co., Marianna & Scenery Hill Telephone Company, The North-Eastern PA Telephone Company, North Penn Telephone Company, North Pittsburgh Telephone Company ("NPTC"), Palmerton Telephone Company, Pennsylvania Telephone Company, Pymatuning Independent Telephone Company, South Canaan Telephone Company, Sugar Valley Telephone Company, Venus Telephone Corporation, and Yukon-Waltz Telephone Company.

RTCC intends to participate in this proceeding but will primarily be monitoring the positions of other parties. Please serve all documents upon counsel for RTCC as follows:

Patricia Armstrong
Regina L. Matz
THOMAS, THOMAS, ARMSTRONG & NIESEN
212 Locust Street
P. O. Box 9500
Harrisburg, PA 17108-9500
Phone: 717-255-7600
Fax: 717-238-8278
Email: parmstrong@tlanlaw.com
rmatz@tlanlaw.com

The RTCC is not currently aware of any issues that it intends to raise. Only if matters or arguments are raised by other parties in the course of this litigation which impact the RTCC will RTCC be submitting any testimony. The RTCC has no objections at this time to the procedural schedule outlined on page 5 of the May 20, 2003 Prehearing Order or that discussed among the parties on May 27, 2003. RTCC will similarly participate in any settlement discussion in this proceeding.

Respectfully submitted,


Patricia Armstrong
Regina L. Matz

Attorneys for
The Rural Telephone Company Coalition

THOMAS, THOMAS, ARMSTRONG & NIESEN
212 Locust Street
P. O. Box 9500
Harrisburg, PA 17108-9500

DATE: May 28, 2003

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03 MAY 28 PM 3:44
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SECRETARY'S BUREAU

Before The
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Administrative Law Judge
Cynthia Williams Fordham, Presiding

AT&T Communications of Pennsylvania, : Docket No. C-20027195
Inc. :
 :
v. :
 :
Verizon North, Inc. :

CERTIFICATE OF SERVICE

I hereby certify that I have this 28th day of May, 2003, served a true and correct copy of the Prehearing Memorandum of The Rural Telephone Company Coalition, upon the persons and in the manner indicated below:

VIA E-MAIL

Susan Debusk Paiva, Esquire
Julia A. Conover, Esquire
Verizon Pennsylvania Inc.
1717 Arch Street 32 NW
Philadelphia, PA 19103
Bus. (215) 963-6068
Fax (215) 563-2658
suzan.d.paiva@verizon.com
julia.a.conover@verizon.com

Zsuzsanna E. Benedek, Esquire
United Telephone
240 North Third Street
Suite 201
Harrisburg, PA 17101
Bus. (717) 236-1385
(717) 238-7844
sue.e.benedek@mail.sprint.com

Robert C. Barber, Esquire
AT&T Communications of PA Inc.
3033 Chain Bridge Road
Oakton, VA 222185
Bus. (703) 691-6061
Fax (703) 691-6093
rcbarber@att.com

Russell M. Blau, Esquire
Swidler Berlin Shereff Friedman LLP
3000 K Street NW, Suite 300
Washington, DC 20007-5116
Bus. (202) 424-7500
Fax (202) 424-7647
rmbrau@swidlaw.com

Steven C. Gray, Esquire
Angela T. Jones, Esquire
Office of Small Business Advocate
Suite 1102 Commerce Building
300 North Second Street
Harrisburg, PA 17101
Bus. (717) 783-2525
Fax (717) 783-2831
sgray@state.pa.us
anjones@state.pa.us

Philip R. McClelland, Esquire
Shaun A. Sparks, Esquire
Office of Consumer Advocate
555 Walnut Street 5th Floor
Forum Place
Harrisburg, PA 17101-1923
Bus. (717) 783-5048
Fax (717) 783-7152
pmcclelland@paoca.org

Thomas W. Snyder, Esquire
Qwest Communications Corporation
1801 California Street, Suite 80202
Denver, CO 80202
Bus. (303) 672-2841
Fax (303) 296-4576
tw snyde@qwest.com

Kenneth L. Mickens, Esquire
PA Public Utility Commission
Office of Trial Staff
P.O. Box 3265
Harrisburg, PA 17105-3265
Bus. (717) 787-1976
Fax (717) 772-2677
kmickens@state.pa.us

Michelle Painter, Esquire
Carl D. Giesy, Esquire
MCI Worldcom Inc.
1133 19th Street NW
Washington, DC 20036
Bus. (202) 736-6204
Fax (202) 736-6242
michelle.painter@mci.com

John F. Povilaitis, Esquire
Ryan, Russell, Ogden & Seltzer LLP
Suite 101
800 North Third Street
Harrisburg, PA 17102-2025
Bus. (717) 236-7714
Fax (717) 236-7816
jpovilaitis@ryanrussell.com


Patricia Armstrong

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03 MAY 28 PM 3:44
PA.P.U.C.
SECRETARY'S BUREAU



OFFICE OF SMALL BUSINESS ADVOCATE
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101

BTL

Carol F. Pennington
Acting Small Business Advocate

(717) 783-2525
(717) 783-2831 (FAX)

May 28, 2003

HAND DELIVERED

DOCUMENT
FOLDER

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

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PA.P.U.C.
SECRETARY'S BUREAU

Re: **Access Charge Investigation**
Docket Nos. A-310200F0002; M-00021596;; C-20027195
M-00031694; P-00991648; P-00991649

Dear Secretary McNulty:

Please be advised that the Office of Small Business Advocate does not oppose the Petition for Reconsideration filed by The United Telephone Company of Pennsylvania and the Rural Telephone Coalition Companies on May 20, 2003.

If you have any questions, please contact me.

Sincerely,

Steven C. Gray
Assistant Small Business Advocate

DOCKETED
JUN 18 2003

Enclosures
cc: Parties of Record

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Access Charge Investigation per Global Order of September 30, 1999	:	Docket Nos. M-00021596 P-00991648, P-00991649
Joint Application of Bell Atlantic Corporation and GTE Corporation for Approval of Agreement and Plan of Merger	:	Docket Nos. A-310200F0002, A-310350F0002 A-310222F0002
AT&T Communications of Pennsylvania, Inc. v. Verizon North Inc.	:	Docket No. C-20027195
Verizon Pennsylvania's 2003 Price Change Opportunity	:	Docket No. M-00031694
AT&T Communications of Pennsylvania, Inc. v. Verizon Pennsylvania Inc. Re: Verizon Pennsylvania Inc.'s 2003 PCO	:	Docket Nos. M-00031694C0001 P-00930715

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SECRETARY'S BUREAU

CERTIFICATE OF SERVICE

I certify that I am serving a copy of the foregoing document on behalf of the Office of Small Business Advocate by FAX and first class mail upon the persons addressed below:

Cheryl Walker Davis, Director
Office of Special Assistants
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Hon. Robert A. Christianson
Chief Administrative Law Judge
Pa. Public Utility Commission
Commonwealth Keystone Bldg.
P.O. Box 3265
Harrisburg, PA 17105-3265

Hon. Michael C. Schnierle
Administrative Law Judge
Pa. Public Utility Commission
Commonwealth Keystone Bldg.
P.O. Box 3265
Harrisburg, PA 17105-3265

Hon. Cynthia W. Fordham
Administrative Law Judge
Pa. Public Utility Commission
1302 Philadelphia State Office Building
Broad and Spring Garden Streets
Philadelphia, PA 19130

Bohdan Pankiw, Chief Counsel
Law Bureau
Pa. Public Utility Commission
Commonwealth Keystone Bldg.
P.O. Box 3265
Harrisburg, PA 17105-3265

Elizabeth Barnes, Esquire
Law Bureau
Pa. Public Utility Commission
Commonwealth Keystone Bldg.
P.O. Box 3265
Harrisburg, PA 17105-3265

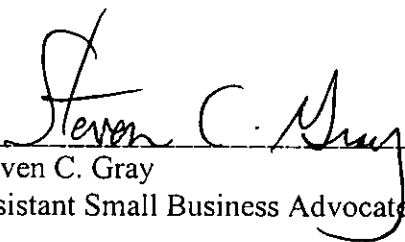
Julia A. Conover, Esquire
Susan DeBusk Paiva, Esquire
Verizon Pennsylvania, Inc.
1717 Arch Street, 32 NW
Philadelphia, PA 19103
(215) 963-6023
(215) 563-2658 (fax)

Robert C. Barber, Esquire
AT&T
Room 3-D; 3033 Chain Bridge Road
Oakton, VA 22185
(703) 691-6061
(703) 691-6093 (fax)

Michelle Painter, Esquire
MCI WorldCom
1133 19th Street, NW
Washington, DC 20036
(202) 736-6204
(202) 736-6242

Philip A. McClelland, Esquire
Office of Consumer Advocate
555 Walnut Street
5th FL Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048
(717) 783-7152 (fax)

Kandace F. Melillo, Esquire
Office of Trial Staff
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105
(717) 787-1976
(717) 772-2677 (fax)



Steven C. Gray
Assistant Small Business Advocate

Date: May 28, 2003

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PA.P.U.C.
SECRETARY'S BUREAU



ORIGINAL

Zsuzsanna E. Benedek
Senior Attorney

240 North Third Street, Suite 201
Harrisburg, PA 17101
Voice 717 236 1385
Fax 717 238 7844
sue.e.benedek@mail.sprint.com

May 28, 2003

VIA HAND DELIVERY

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

DOCUMENT
FOLDER

Re: AT&T Communications of Pennsylvania, Inc. v. Verizon
North - Docket No. C-20027195

Dear Secretary McNulty:

On behalf of Sprint Communications Company, L.P. and The United Telephone Company of Pennsylvania (hereinafter jointly "Sprint") herby submit an original and three (3) copies of its Prehearing Memorandum.

As per Judge Fordham's May 20, 2003 Prehearing Order, a copy of this Prehearing Memorandum has been send via electronic mail to all parties.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Sue Benedek

ZEB/jh
enclosures

cc: Certificate of Service (via first-class mail)
Ms. Elizabeth Barnes (via electronic mail)

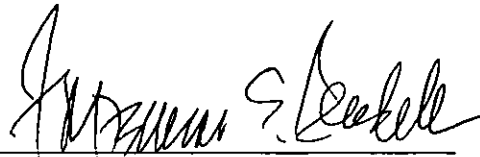
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RJP

38

At this point, Sprint is unaware of any issues that it may raise or any arguments to which it may respond. Unless issues or arguments arise in the course of this litigation, Sprint does not envision participation through the filing of testimony and the like. Sprint is agreeable to the procedural schedule outlined in the May 20, 2003 Prehearing Order.

Respectfully submitted,



Zsuzsanna E. Benedek, Esquire
240 North Third Street, Suite 201
Harrisburg, PA 17101
Direct Phone: (717) 245-6346
Fax:: (717) 238-7844
E-mail: sue.e.benedek@mail.sprint.com

Counsel for Sprint Communications
Company, L.P. and The United
Telephone Company of Pennsylvania

Dated: May 28, 2003

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

AT&T Communications of Pennsylvania, :
Inc. :

v. :

Docket No. C-20027195

Verizon North, Inc. :

CERTIFICATE OF SERVICE

I hereby certify that I have this 28th day of May, 2003, served a true copy of the foregoing Prehearing Memorandum upon the persons below via electronic and first-class mail, in accordance with the requirements of 52 Pa. Code §1.54:

Julia A. Conover, Esquire
Suzan DeBusk Paiva, Esquire
Verizon Pennsylvania, Inc.
1717 Arch Street, 32 NW
Philadelphia, PA 19103

Russell M. Blau, Esquire
Swidler, Berlin, Shereff, Friedmann, LLP
3000 K Street, NW
Suite 300
Washington, DC 20007-5116

Angela Jones, Esquire
Steven Gray, Esquire
Office of Small Business Advocate
300 North Second Street
Commerce Building, Suite 1102
Harrisburg, PA 17101

Michelle Painter, Esquire
MCI WorldCom, Inc.
1133 19th Street, NW
Washington, DC 20036

Robert C. Barber, Esquire
AT&T Communications of PA
3033 Chain Bridge Road
Oakton, VA 22185

Thomas W. Snyder, Esquire
Quest Communications Corporation
1801 California Street, Suite 80202
Denver, CO 80202

Patricia Armstrong, Esquire
Thomas, Thomas, Armstrong & Niesen
212 Locust Street, Suite 500
Harrisburg, PA 17108

Philip F. McClelland, Esquire
Shaun A. Sparks, Esquire
Office of Consumer Advocate
555 Walnut Street, 5th Street
Harrisburg, PA 17101-1923

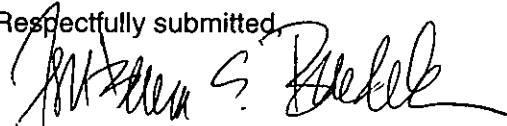
Thomas W. Snyder, Esquire
Qwest Communications Corporation
1801 California Street, Suite 80202
Denver, CO 80202

PA.P.U.C.
SECRETARY'S BUREAU

03 MAY 28 AM 10:41

RECEIVED

Respectfully submitted,



Zsuzsanna E. Benedek, Esquire
240 North Third Street, Suite 201
Harrisburg, PA 17101
Phone: 717/245-4346
Fax: 717/238-7844
e-mail: sue.e.benedek@mail.sprint.com



OFFICE OF SMALL BUSINESS ADVOCATE
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101

REP.

Carol F. Pennington
Acting Small Business Advocate

May 28, 2003

(717) 783-2525
(717) 783-2831 (FAX)

Fax and First Class Mail

Hon. Cynthia W. Fordham
Administrative Law Judge
Pa. Public Utility Commission
1302 Philadelphia State Office Building
Broad and Spring Garden Streets
Philadelphia, PA 19130

DOCUMENT
FOLDER

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SECRETARY'S BUREAU

**Re: AT&T Communications of Pennsylvania Inc. V.
Verizon North, Inc.
Docket No. C020027195**

Dear Judge Fordham:

In accordance with your Prehearing Order dated May 20, 2003 and in anticipation of the prehearing conference scheduled for Thursday, May 29, 2003, I am enclosing a copy of the Prehearing Memorandum on behalf of the Office of Small Business Advocate.

As evidenced by the enclosed certificate of service, all parties have been served as indicated.

Sincerely,

Angela T. Jones
Assistant Small Business Advocate

Enclosures

cc: James J. McNulty, Secretary
(w/enclosures)
Parties of Record
Mr. Allen Buckalew

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

AT&T Communications of Pennsylvania, Inc. :
v. : Docket No. C-20027195
Verizon North, Inc. :

OFFICE OF SMALL BUSINESS ADVOCATE
PREHEARING MEMORANDUM

DOCKETED

MAY 30 2003

I. INTRODUCTION

The Office of Small Business Advocate (OSBA) is authorized to represent the interests of small business consumers of utility services before the Pennsylvania Public Utility Commission (Commission) pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§399.41 - 399.50. In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in this matter is Assistant Small Business Advocate Angela T. Jones. Please address all correspondence as follows:

DOCUMENT
FOLDER

Angela T. Jones, Esquire
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101
(717) 783-2525
(717) 783-2831 (fax)
E-mail: anjones@state.pa.us

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PA P.U.C.
SECRETARY'S BUREAU

Please note that Mr. Steven Gray is not assigned to this case.

II. FILING BACKGROUND

On March 21, 2002, AT&T Communications of Pennsylvania, Inc. (AT&T) filed a Formal Complaint against Verizon North, Inc. (VZN) seeking reduction in access charges comparable to the access charges of Verizon Pennsylvania Inc. (Verizon) pursuant to the requirement of the Merger Order of the Commission.¹

On December 30, 2002, Verizon and VZN filed a Joint Petition (Access Joint Petition) with the Commission requesting a further reduction of their access charges in accordance with the Merger Order, the Global Order², and the generic access charge investigation at M-00021596. The OSBA, among other parties, filed Comments opposing the Access Joint Petition on February 18, 2003. By Commission order entered May 5, 2003, the Commission referred the Access Joint Petition to the Office of Administrative Law Judge for evidentiary hearing and a recommended decision. Administrative Law Judge Cynthia Williams Fordham (ALJ) issued a Prehearing Order dated May 20, 2003 requesting Prehearing Memorandum from each party on the service list of this docket. The OSBA is complying with ALJ Fordham's Order as well as 52 Pa. Code § 5.224 through this Memorandum.

¹ Re: Joint Application of Bell Atlantic Corporation and GTE Corporation for Approval of Agreement and Plan of Merger, Docket Nos. A-310200F002, *et al.*, entered November 4, 1999 (Merger Order).

² Re: Nextlink Pennsylvania, Inc., Docket Nos. P-00991648 and P-00991649; 93 PaPUC 172, (September 30, 1999) (Global Order); 196 PUR4th. 172, *aff'd. sub nom.*, Bell-Atlantic Pennsylvania, Inc. v. PA Public Utility Commission, 763 A.2d 440 (Pa. Cmwlth., 2000), alloc. granted.

III. IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA's case in this proceeding will be:

Mr. Allen Buckalew
J.W. Wilson & Associates, Inc.
Rosslyn Plaza C- Suite 1104
1601 North Kent Street
Arlington, VA 22209
(703) 243-1049
(703) 243-3389 (fax)
E-mail: info@jwwa.com

The OSBA will participate in the case to assure that the interests of small business customers of Verizon North are adequately represented and protected in this proceeding.

As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of Verizon and VZN and other parties, setting forth the OSBA's positions through the presentation of testimony by its expert witness and via the cross-examination of witnesses appearing for other parties and briefing of the issues that arise in this proceeding. The OSBA will particularly focus on:

- (1) whether it is reasonable and prudent for VZN to obtain levels of access charges as proposed by it and Verizon in the Joint Petition or whether another proposal may be more appropriate,
- (2) whether VZN has satisfied its burden of proof through cost studies of the costs to be attributed to access charges,
- (3) whether the cost studies provided adequately and reasonably address the appropriate costs for access access charges proposed, and
- (4) any other issues that should surface through a thorough examination of the proprietary information proffered in support of the Petition.

The OSBA reserves the right to pursue additional issues as they arise throughout the proceeding.

IV. SETTLEMENT

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

V. DISCOVERY

The OSBA supports the discovery proposal suggested by the Office of Consumer Advocate.

VI. HEARING AND BRIEFING SCHEDULE

The OSBA has participated with the other parties in developing a proposed schedule. Tentative agreement was achieved to date with the schedule to be presented by the Office of Consumer Advocate. OSBA will participate with the other parties to arrive at a mutually acceptable schedule for the Presiding Officer's review.

Respectfully submitted,



Angela T. Jones
Assistant Small Business Advocate

Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
(717) 783-2525

Dated: May 28, 2003

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

AT&T Communications of Pennsylvania, Inc. :
v. : Docket No. C-20027195
Verizon North Inc. :

CERTIFICATE OF SERVICE

I certify that I am serving a copy of the Prehearing Memorandum on behalf of the Office of Small Business Advocate by FAX and first class mail upon the persons addressed below:

Hon. Cynthia W. Fordham
Administrative Law Judge
Pa. Public Utility Commission
1302 Philadelphia State Office Building
Broad and Spring Garden Streets
Philadelphia, PA 19130
(215) 560-3133 (fax)

Philip A. McClelland, Esquire
Office of Consumer Advocate
555 Walnut Street
5th FL Forum Place
Harrisburg, PA 17101-1923
(717) 783-5048
(717) 783-7152 (fax)

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Verizon Pennsylvania, Inc.
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Philadelphia, PA 19103
(215) 963-6068
(215) 563-2658 (fax)

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Office of Trial Staff
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105
(717) 787-1976
(717) 772-2677 (fax)

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United Telephone
240 North Third Street, Suite 201
Harrisburg, PA 17101
(717) 236-1385
(717) 238-7844 (fax)

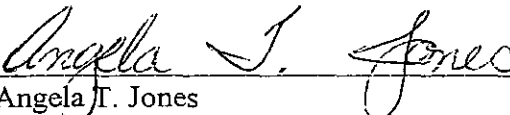
Russell M. Blau, Esquire
Swidler Berlin Shereff Friedman LLP
3000 K Street NW Suite 300
Washington DC 20007-5116
(202) 424-7500
(202) 424-7646 (fax)

Robert C. Barber, Esquire
AT&T
Room 3-D; 3033 Chain Bridge Road
Oakton, VA 22185
(703) 691-6061
(703) 691-6093 (fax)

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1801 California Street, Suite 80202
Denver CO 80202
(303) 672-2841
(303) 296-4576 (fax)

Michelle Painter, Esquire
MCI WorldCom
1133 19th Street, NW
Washington, DC 20036
(202) 736-6204
(202) 736-6242

John P. Povilaitis, Esquire
Ryan, Russell, Ogden & Seltzer LLP
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025
(717) 236-7714
(717) 236-7816 (fax)



Angela J. Jones
Assistant Small Business Advocate

Date: May 28, 2003

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LAW OFFICES
RYAN, RUSSELL, OGDEN & SELTZER LLP

ORIGINAL

W. EDWIN OGDEN
ALAN MICHAEL SELTZER
JEFFREY A. FRANKLIN
JOHN F. POVILAITIS
BRIDGID M. GOOD
CARL J. ENGLEMAN, JR.

SUITE 101
800 NORTH THIRD STREET
HARRISBURG, PENNSYLVANIA 17102-2025

TELEPHONE: (717) 236-7714
FACSIMILE: (717) 236-7816
WWW.RYANRUSSELL.COM

SAMUEL B. RUSSELL (RETIRED)
HAROLD J. RYAN (1972)
JOHN S. MCCONAGHY (1981)

READING OFFICE

SUITE 301
1100 BERKSHIRE BOULEVARD
READING, PENNSYLVANIA
19610-1221
TELEPHONE: (610) 372-4761
FACSIMILE: (610) 372-4177

May 29, 2003

VIA HAND DELIVERY

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17102

REP

Re: In Re The Joint Application of Bell Atlantic Corporation
And GTE Corporation for Approval of Agreement And of Merger

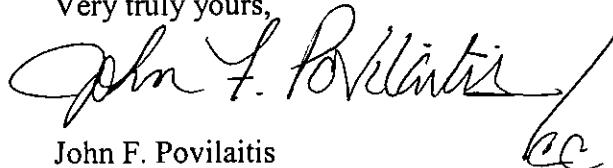
AT&T Communications of Pennsylvania, Inc. v. Verizon North,
Inc., Docket No. C-20027195

Dear Secretary McNulty:

Enclosed please find an original and three (3) copies of the Motion for Admission *Pro Hac Vice* on behalf of Qwest Communications Corporation. Copies of this Motion have been served in accordance with the attached Certificate of Service.

DOCUMENT
FOLDER

Very truly yours,


John F. Povilaitis

Enclosures
JFP/cc

c: Certificate of Service

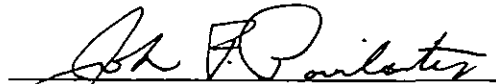
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51

2. Kristin Smith is a member in good standing of the Bar of the District of Columbia, Attorney I.D. No. 462932.

WHEREFORE, I move that Kristin Smith, Esquire be admitted to practice *pro hac vice* on behalf of Qwest Communications Corporation in the above-captioned proceeding.

Respectfully submitted,



John F. Povilaitis
Ryan, Russell, Ogden & Seltzer LLP
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025
Phone: (717) 236-7714
Fax: (717) 236-7816
JPovilaitis@RyanRussell.com

Counsel for Qwest Communications Corporation

Date: May 29, 2003

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In Re The Joint Application of :
Bell Atlantic Corporation and GTE :
Corporation for Approval of Agreement :
And Plan of Merger : Docket No. C-20027195
:
AT&T Communications of Pennsylvania, Inc. :
v. Verizon North, Inc. :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing documents in accordance with the requirements of 52 Pa. Code § 1.54 et seq. (relating to service by a participant).

VIA UPS OVERNIGHT MAIL

Susan Debusk Paiva, Esquire
Julia A. Conover, Esquire
Verizon Pennsylvania Inc.
1717 Arch Street 32 NW
Philadelphia, PA 19103
Bus. (215) 963-6068
Fax (215) 563-2658
suzan.d.paiva@verizon.com
julia.a.conover@verizon.com

VIA FIRST CLASS MAIL

Patricia Armstrong, Esquire
Thomas Thomas Armstrong & Niesen
212 Locust Street
Suite 500
Harrisburg, PA 17108
Bus. (717) 255-7627
Fax (717) 236-8278
parmstrong@ttanlaw.com

Zsuzsanna E. Benedek, Esquire
United Telephone
240 North Third Street
Suite 201
Harrisburg, PA 17101
Bus. (717) 236-1385
(717) 238-7844
sue.e.benedek@mail.sprint.com

Robert C. Barber, Esquire
AT&T Communications of PA Inc.
3033 Chain Bridge Road
Oakton, VA 222185
Bus. (703) 691-6061
Fax (703) 691-6093
rcbarber@att.com

Russell M. Blau, Esquire
Swidler Berlin Shereff Friedman LLP
3000 K Street NW Suite 300
Washington, DC 20007-5116
Bus. (202) 424-7500
Fax (202) 424-7647
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Steven C. Gray, Esquire
Angela T. Jones, Esquire
Office of Small Business Advocate
Suite 1102 Commerce Building
300 North Second Street
Harrisburg, PA 17101
Bus. (717) 783-2525
Fax (717) 783-2831
sgray@state.pa.us
anjones@state.pa.us

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PA Public Utility Commission
Office of Trial Staff
P.O. Box 3265
Harrisburg, PA 17105-3265
Bus. (717) 787-1976
Fax (717) 772-2677
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Philip R. McClelland, Esquire
Shaun A. Sparks, Esquire
Office of Consumer Advocate
555 Walnut Street 5th Floor
Forum Place
Harrisburg, PA 17101-1923
Bus. (717) 783-5048
Fax (717) 783-7152
pmcclelland@paoca.org

Michelle Painter, Esquire
Carl D. Giesy, Esquire
MCI Worldcom Inc.
1133 19th Street NW
Washington, DC 20036
Bus. (202) 736-6204
Fax (202) 736-6242
michelle.painter@mci.com

Kristin Smith, Esquire
Carol Kuhnaw, Esquire
Qwest Communications Corporation
1801 California Street, Suite 4900
Denver CO 80202
Bus. (303) 672-2820
Fax (303) 296-7069
klsmi23@qwest.com

Date: May 29, 2003



John F. Povilaitis
RYAN, RUSSELL, OGDEN & SELTZER LLP
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025
Phone: (717) 236-7714
Fax: (717) 236-7816
Email: JPovilaitis@RyanRussell.com

Counsel for Qwest Communications Corporation

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LAW OFFICES
RYAN, RUSSELL, OGDEN & SELTZER LLP

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W. EDWIN OGDEN
ALAN MICHAEL SELTZER
JEFFREY A. FRANKLIN
JOHN F. POVILAITIS
BRIGGID M. GOOD
CARL J. ENGLEMAN, JR.

SUITE 101
800 NORTH THIRD STREET
HARRISBURG, PENNSYLVANIA 17102-2025

TELEPHONE: (717) 236-7714
FACSIMILE: (717) 236-7816
WWW.RYANRUSSELL.COM

May 29, 2003

SAMUEL B. RUSSELL (RETIRED)
HAROLD J. RYAN (1972)
JOHN S. MCCONAGHY (1981)

READING OFFICE
SUITE 301
1100 BERKSHIRE BOULEVARD
READING, PENNSYLVANIA
19610-1221
TELEPHONE: (610) 372-4761
FACSIMILE: (610) 372-4177

VIA HAND DELIVERY

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17102

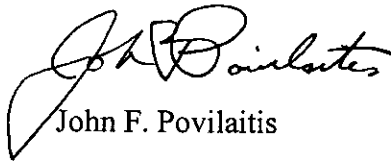
Re: In Re The Joint Application of Bell Atlantic Corporation
And GTE Corporation for Approval of Agreement And of Merger

AT&T Communications of Pennsylvania, Inc. v. Verizon North,
Inc., Docket No. C-20027195

Dear Secretary McNulty:

Enclosed please find an original and three (3) copies of Qwest
Communications Company's Withdrawal of Appearance of Thomas W. Snyder and
Entry of Appearance of John F. Povilaitis. Copies have been served in accordance with
the attached Certificate of Service.

Very truly yours,


John F. Povilaitis

Enclosures
JFP/cc

c: Certificate of Service

DOCUMENT
FOLDER

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50

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In Re The Joint Application of :
Bell Atlantic Corporation and GTE :
Corporation for Approval of Agreement :
And Plan of Merger :
:
AT&T Communications of Pennsylvania, Inc. :
v. Verizon North, Inc. :

Docket No. C-20027195

ENTRY OF APPEARANCE

DOCUMENT
FOLDER

To the Honorable Cynthia W. Fordham, Administrative Law Judge:

On behalf of Qwest Communications Corporation ("Qwest") in this proceeding, please enter the appearance of the following counsel:

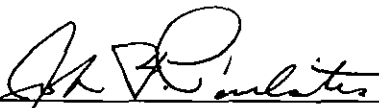
John F. Povilaitis, Esquire
RYAN, RUSSELL, OGDEN & SELTZER LLP
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025
Telephone: (717) 236-7714
Facsimile: (717) 236-7816
Email: JPovilaitis@RyanRussell.com

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03 MAY 29 AM 10:40
F.A.P.U.C.
SECRETARY'S BUREAU

Dated: May 29, 2003

Respectfully submitted,

DOCKETED
JUN 03 2003


John F. Povilaitis, Esquire
RYAN, RUSSELL, OGDEN & SELTZER LLP
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025

Counsel for Qwest Communications Corporation

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In Re The Joint Application of	:	
Bell Atlantic Corporation and GTE	:	
Corporation for Approval of Agreement	:	
And Plan of Merger	:	Docket No. C-20027195
	:	
AT&T Communications of Pennsylvania, Inc.	:	
v. Verizon North, Inc.	:	

WITHDRAWAL OF APPEARANCE

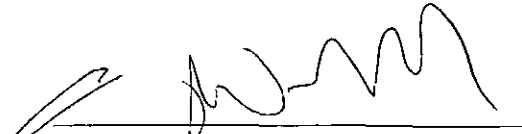
To the Honorable Cynthia W. Fordham, Administrative Law Judge:

Please withdraw my appearance on behalf of Qwest Communications Corporation ("Qwest") in the above-captioned proceeding.

Dated: May 29, 2003

Respectfully submitted,

DOCUMENT
FOLDER



Thomas W. Snyder, Esquire
Qwest Communications Corporation
1801 California Street, Suite 4900
Denver, CO 80202
Telephone: (303) 672-2841
Facsimile: (303) 296-4576
Email: tw snyde@qwest.com

DOCKETED
JUN 03 2003

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In Re The Joint Application of :
Bell Atlantic Corporation and GTE :
Corporation for Approval of Agreement :
And Plan of Merger : Docket No. C-20027195
:
AT&T Communications of Pennsylvania, Inc. :
v. Verizon North, Inc. :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing documents in accordance with the requirements of 52 Pa. Code § 1.54 et seq. (relating to service by a participant).

VIA UPS OVERNIGHT MAIL

Susan Debusk Paiva, Esquire
Julia A. Conover, Esquire
Verizon Pennsylvania Inc.
1717 Arch Street 32 NW
Philadelphia, PA 19103
Bus. (215) 963-6068
Fax (215) 563-2658
suzan.d.paiva@verizon.com
julia.a.conover@verizon.com

VIA FIRST CLASS MAIL

Patricia Armstrong, Esquire
Thomas Thomas Armstrong & Niesen
212 Locust Street
Suite 500
Harrisburg, PA 17108
Bus. (717) 255-7627
Fax (717) 236-8278
parmstrong@ttanlaw.com

Zsuzsanna E. Benedek, Esquire
United Telephone
240 North Third Street
Suite 201
Harrisburg, PA 17101
Bus. (717) 236-1385
(717) 238-7844
sue.e.benedek@mail.sprint.com

Robert C. Barber, Esquire
AT&T Communications of PA Inc.
3033 Chain Bridge Road
Oakton, VA 222185
Bus. (703) 691-6061
Fax (703) 691-6093
rcbarber@att.com

Russell M. Blau, Esquire
Swidler Berlin Shereff Friedman LLP
3000 K Street NW Suite 300
Washington, DC 20007-5116
Bus. (202) 424-7500
Fax (202) 424-7647
rmblau@swidlaw.com

Steven C. Gray, Esquire
Angela T. Jones, Esquire
Office of Small Business Advocate
Suite 1102 Commerce Building
300 North Second Street
Harrisburg, PA 17101
Bus. (717) 783-2525
Fax (717) 783-2831
sgray@state.pa.us
anjones@state.pa.us

Kenneth L. Mickens, Esquire
PA Public Utility Commission
Office of Trial Staff
P.O. Box 3265
Harrisburg, PA 17105-3265
Bus. (717) 787-1976
Fax (717) 772-2677
knickens@state.pa.us

Philip R. McClelland, Esquire
Shaun A. Sparks, Esquire
Office of Consumer Advocate
555 Walnut Street 5th Floor
Forum Place
Harrisburg, PA 17101-1923
Bus. (717) 783-5048
Fax (717) 783-7152
pmcclelland@paoca.org

Kristin Smith, Esquire
Carol Kuhnaw, Esquire
Qwest Communications Corporation
1801 California Street, Suite 4900
Denver CO 80202
Bus. (303) 672-2820
Fax (303) 296-7069
klsmi23@qwest.com

Michelle Painter, Esquire
Carl D. Giesy, Esquire
MCI Worldcom Inc.
1133 19th Street NW
Washington, DC 20036
Bus. (202) 736-6204
Fax (202) 736-6242
michelle.painter@mci.com

Date: May 29, 2003



John F. Povilaitis
RYAN, RUSSELL, OGDEN & SELTZER LLP
800 North Third Street, Suite 101
Harrisburg, PA 17102-2025
Phone: (717) 236-7714
Fax: (717) 236-7816
Email: JPovilaitis@RyanRussell.com

Counsel for Qwest Communications Corporation

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03 MAY 29 AM 10:40
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OALJ Hearing Report

Please Check Those Blocks Which Apply

Docket No.:	C-20027195	Prehearing Held:	BTL <input type="checkbox"/>	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
Case Name:	AT&T Communications of PA, Inc. v Verizon North Incorporated	Hearing Held:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Location:	HBG	Testimony Taken:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Date:	May 29, 2003	Transcript Due:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ALJ:	Cynthia W. Fordham	Hearing Concluded:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reporting Firm:	Commonwealth Reporting	Further Hearing Needed:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		Estimated Add'l Days:					
		RECORD CLOSED:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		DATE:					
		Briefs to be Filed:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		DATE:					
		Bench Decision:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		REMARKS:					

DOCUMENT FOLDER

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JUN 05 2003

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03 MAY 29 PM 4:20
PA PUC

PLEASE PRINT CLEARLY - Incomplete Information may result in delay of processing.

Name and Telephone Number	Address	Who are you representing?
Kenneth L. Mickens Telephone: (717) 787-1976	P.O. Box 3265 City: Hbg. State: PA Zip: 17105-3265	Office of Trial Staff
Philip F. McLelland Joel H. Cheskis Telephone: 717-783-5048	555 Walnut Street 5th Floor City: Harrisburg State: Pa Zip: 17104-1923	Office of Consumer Advocate
John F. Povilaitis Telephone: 717-236-7714	Ryan, Russell, Ogden + Seitzer, LLP P.O. N. Third St. Suite 101 City: Harrisburg State: PA Zip: 17102	QUEST COMMUNICATIONS CORPORATION
	E-mail Address: JPovilaitis@RyanRussell.com	Fax Number: 717-236-7816

Check this box if additional parties or attendees appear on back of form.

Reporter's Signature

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

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2003 JUN 2 AM 9:18
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Name and Telephone Number	Address	Who are you representing?
ANGELA T. JONES	1102 COMMERCE BLDG. 300 N. 2ND ST. City: HBS. State: PA Zip: 17101	OFFICE OF SMALL BUSINESS ADVOCATE
Telephone: 717-783-2525	E-mail Address: anjones@state.pa.us	Fax Number: 717-783-2831
Kathleen Mistunak-Gingrich Eckert Seamans, Cherry Muller, LLC	213 Market St. 8th Floor Hbg. City: Harrisburg State: Pa. Zip: 17101	McI WorldCom mci WorldCom Network Services, Inc.
Telephone: 717.237.6067	E-mail Address: KMG@escm.com	Fax Number: 717.237.6019
SUE BENEDAK	240 North Third St. Suite 201 City: Hbg State: PA Zip: 17101	Sprint Communications Co. L.P. AND The United Telephone Co. of PA
Telephone: (717) 245-6346	E-mail Address: sue.e.benedak@mint.com	Fax Number: (717) 238-7844
Patricia ARMSTRONG	212 Locust St #500 Harrisburg Pa 17101 City: Harrisburg State: Pa Zip: 17101	Rural Telephone Company Coalition
Telephone: 717 255-7627	E-mail Address: p.armstrong@TANLAW.com	Fax Number: 717 236-8278
Telephone:	E-mail Address:	Fax Number:
City:	State:	Zip:
Telephone:	E-mail Address:	Fax Number:
City:	State:	Zip:
Telephone:	E-mail Address:	Fax Number:
City:	State:	Zip:
Telephone:	E-mail Address:	Fax Number:
City:	State:	Zip:

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

OALJ Hearing Report

BTL

Please Check Those Blocks Which Apply

Docket No.:	C-20027195	Prehearing Held:	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
Case Name:	AT&T Communications of PA, Inc. v. Verizon North Incorporated	Hearing Held:	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
DOCUMENT FOLDER		Testimony Taken:	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
		Transcript Due:	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
Location:	Philadelphia, PA	Hearing Concluded:	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
Date:	May 29, 2003	Further Hearing Needed:	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO
ALJ:	Cynthia W. Fordham	Estimated Add'l Days:		
Reporting Firm:	Commonwealth Reporting	RECORD CLOSED:	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
		DATE:		
		Briefs to be Filed:	<input type="checkbox"/> YES	<input type="checkbox"/> NO
		DATE:		
		Bench Decision:	<input type="checkbox"/> YES	<input type="checkbox"/> NO
		REMARKS:	Hearings scheduled for Aug 25, 26, 27 in Harrisburg.	

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JUN 23 2003

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2003 JUN 12 11:11

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Name and Telephone Number	Address	Who are you representing?
Robert C. Barber, Esq. Telephone: 703-691-6061	3033 Chain Bridge Road City: OAKTON VA Zip: 22185	AT&T COMMUNICATIONS PA LLC 0399
E-mail Address: RBARBER@ATT.COM		Fax Number: 703-691-6092
Suzan D. Paiva, Esq. Telephone: 215-963-6068	1717 Arch St., 33N City: PHILA PA Zip: 19103	Verizon PA and Verizon North
E-mail Address: suzan.d.paiva@verizon.com		Fax Number: 215-563-2658
Angela T. Jones, Esq. Telephone: (717) 783-2525	Suite 1102 Commerce Bldg 300 North Second St. City: Harrisburg PA Zip: 17101	OSBA
E-mail Address: anjones@state.pa.us		Fax Number: (717) 783-2831

Check this box if additional parties or attendees appear on back of form.



Reporter's Signature

Note: Completion of this form does not constitute an entry of appearance, see 52 Pa. Code §§1.24 and 1.25.

Name and Telephone Number	Address	Who are you representing?
Kenneth L. Mickens, Esquire	PA Public Utility Commission P.O. Box 3265	OTS
	City: Harrisburg State: PA Zip: 17105-3265	
Telephone: (717) 787-1976	E-mail Address:	Fax Number: (717) 772-2677
Philip R. McClelland, Esq. Joel H. Cheskis, Esq.	OCA 555 Walnut St Forum Place 5th floor	OCA
	City: Harrisburg State: PA Zip: 17101-1923	
Telephone: (717) 783-5048	E-mail Address: pmcclelland@paca.org jcheskis@pa.oca.org	Fax Number: (717) 783-7152
Patricia Armstrong, Esq.	Thomas, Thomas, Armstrong + Nissen 212 Locust St. 9500 P.O. Box	Rural Telephone Company Coalition
	City: Harrisburg State: PA Zip: 17108-9500	
Telephone: (717) 255-7627	E-mail Address:	Fax Number: (717) 236-8278
Kathleen Misturak- Gingrich, Esq.	Eckert, Seimans, Cherin + Mellett 213 Market St. 8th floor	MCI
	City: Harrisburg State: PA Zip: 17101	
Telephone: (717) 237-6067	E-mail Address: kmg@esem.com	Fax Number: (717) 237-6019
Zsuzsanna E. Benedek, Esq.	Sprint 240 North 3rd St. Suite 201	Sprint / United Telephone
	City: Harrisburg State: PA Zip: 17101	
Telephone: (717) 245-6346	E-mail Address: sue.e.benedek@mail.sprint.com	Fax Number: (717) 238-7844
John F. Poralaitis, Esq.	Ryan, Russell, Ogden + Seltzer 800 N. 3rd St. Suite 101	Qwest
	City: Harrisburg State: PA Zip: 17102-2025	
Telephone: (717) 236-7714	E-mail Address: jporalaitis@ryanrussell.com	Fax Number: (717) 236-7816
	City: State: Zip:	
Telephone:	E-mail Address:	Fax Number:
	City: State: Zip:	
Telephone:	E-mail Address:	Fax Number:



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Office Of Administrative Law Judge
P.O. Box 3265, Harrisburg, PA 17105-3265

PLEASE DOCKET
IN REPLY PLEASE
REFER TO OUR FILE

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May 30, 2003

In Re: C-20027195

(See letter dated 05/08/2003)

AT&T Communications of PA, Inc.
v.
Verizon North Incorporated

DOCKETED
JUN 06 2003

Verizon North's Intrastate Carrier Access Rates are unjust and unreasonable, and seek an immediate reduction to no more than the Rates charged by Verizon Pennsylvania.

Hearing Notice

This is to inform you that hearings on the above-captioned case will be held as follows:

Type: Initial and Further

Date: Monday-Wednesday, August 25, 26 and 27, 2003

Time: 10:00 a.m.

Location: Hearing Room 2
Plaza Level
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania

Presiding: Administrative Law Judge Cynthia W. Fordham
1302 Philadelphia State Office Building
1400 West Spring Garden Street
Philadelphia, PA 19130
Telephone: (215) 560-2105
Fax: (215) 560-3133

Attention: You may lose the case if you do not come to this hearing and present facts on the issues raised.

If you intend to file exhibits, 2 copies of all hearing exhibits to be presented into evidence must be submitted to the reporter. An additional copy must be furnished to the Presiding Officer. A copy must also be provided to each party of record.

Individuals representing themselves do not need to be represented by an attorney. All others (corporation, partnership, association, trust or governmental agency or subdivision) must be represented by an attorney. An attorney representing you should file a Notice of Appearance before the scheduled hearing date.

If you are a person with a disability, and you wish to attend the hearing, we may be able to make arrangements for your special needs. Please call the scheduling office at the Public Utility Commission:

- Scheduling Office: 717-787-1399.
- AT&T Relay Service number for persons who are deaf or hearing-impaired: 1-800-654-5988.

pc: Judge Fordham
Steve Springer, Scheduling Officer
Beth Plantz
Docket Section
Calendar File

3-20027195 AT&T Communications of PA, Inc. v. Verizon North Incorporated

JOHN F POVILAITIS ESQUIRE
RYAN RUSSELL OGDEN & SELTZER LLP
800 NORTH THIRD STREET SUITE 101
HARRISBURG PA 17102-2025
Qwest Communications Corporation

ROBERT C BARBER ESQUIRE
AT&T COMMUNICATIONS OF PA INC
3033 CHAIN BRIDGE ROAD
OAKTON VA 222185
AT&T Communications of PA Inc.

PHILIP R MCCLELLAND ESQUIRE
BARRETT C SHERIDAN ESQUIRE
JOEL H CHESKIS ESQUIRE
SHAUN A SPARKS ESQUIRE
OFFICE OF CONSUMER ADVOCATE
555 WALNUT STREET 5TH FLOOR
FORUM PLACE
HARRISBURG PA 17101-1923

SUZAN DEBUSK PAIVA ESQUIRE
JULIA A CONOVER ESQUIRE
VERIZON PENNSYLVANIA INC
1717 ARCH STREET 32NW
PHILADELPHIA PA 19103

KRISTIN L SMITH ESQUIRE
QWEST COMMUNICATIONS CORPORATION
1801 CALIFORNIA STREET SUITE 80202
DENVER CO 80202

MICHELLE PAINTER ESQUIRE
CARL D GIESY ESQUIRE
MCI WORLD.COM INC
1133 19TH STREET NW
WASHINGTON DC 20036

PATRICIA ARMSTRONG ESQUIRE
REGINA L MATZ ESQUIRE
THOMAS THOMAS ARMSTRONG &
NIESEN
212 LOCUST STREET SUITE 500
PO BOX 9500
HARRISBURG PA 17108-9500
The Rural Telephone Company Coalition

STEVEN C GRAY ESQUIRE
ANGELA T JONES ESQUIRE
OFFICE OF SMALL BUSINESS ADVOCATE
SUITE 1102 COMMERCE BUILDING
300 NORTH SECOND STREET
HARRISBURG PA 17101

ZSUZSANNA E BENEDEK ESQUIRE
UNITED TELEPHONE
240 NORTH THIRD STREET
SUITE 201
HARRISBURG PA 17101

KENNETH L MICKENS ESQUIRE
PA PUBLIC UTILITY COMMISSION
OFFICE OF TRIAL STAFF
PO BOX 3265
HARRISBURG PA 17105-3265

DANIEL CLEARFIELD ESQUIRE
ALAN KOHLER ESQUIRE
WOLF BLOCK SCHORR & SOLIS-COHEN
212 LOCUST STREET SUITE 300
HARRISBURG PA 17101-1236
AT&T Communications of PA Inc.

ECKERT SEAMANS CHERIN & MELLOTT, LLC

ORIGINAL

213 Market Street
Eighth Floor
Harrisburg, PA 17101

June 2, 2003

Via Hand Delivery

Address correspondence to:
Post Office Box 1248
Harrisburg, PA 17108-1248

Telephone: 717.237.6000
Facsimile: 717.237.6019
www.escm.com

The Honorable James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor North
Harrisburg, Pennsylvania 17101

DOCUMENT
FOLDER

Boston

Re: AT&T Communications of Pennsylvania, Inc. v. Verizon North Inc.
Docket No. C-20027195

Haddonfield, NJ

Harrisburg

Morgantown, WV

Dear Secretary McNulty:

Philadelphia

Please find enclosed for filing an original and four (4) copies of MCI WorldCom Network Services, Inc.'s ("MCI") Application for Admission Pro Hac Vice of Attorney Painter and an accompanying Order in the above-referenced matter.

Pittsburgh

Washington, D.C.

As noted on the attached Certificate of Service, all parties of record have been served. Please call should you have any questions regarding this filing. Thank you for your professional courtesy.

Very truly yours,

Kathleen Misturak-Gingrich

KMG:smb

Enclosures

cc: Administrative Law Judge Cynthia W. Fordham (w/enclosures)
Certificate of Service (as noted) (w/enclosures)

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SECRETARY'S BUREAU

134

RJP

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

AT&T Communications of Pennsylvania, :
Inc., : Docket No. C-20027195
v. :
Verizon North Inc. :

DOCUMENT
FOLDER

MOTION FOR ADMISSION *PRO HAC VICE*

NOW COMES, Kathleen Misturak-Gingrich, Esquire ("Movant"), a member in good standing, of the bar of this Commonwealth and respectfully moves for the admission of the following individual to appear as an attorney on behalf of MCI WorldCom Network Services, Inc. ("MCI") in the above-captioned proceeding.

Michelle Painter, Esquire
MCI
1133 19th Street, NW
Washington, DC 20036
Telephone: 202.736.6204

DOCKETED
JUN 11 2003

In support thereof, Movant states:

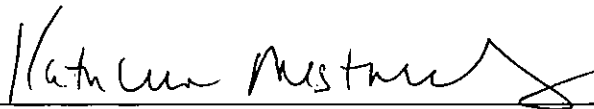
1. I am an active member of the Pennsylvania Bar (Attorney No. 41682) and practicing at Eckert Seamans Cherin & Mellott, LLC, 213 Market Street, 8th Floor, Harrisburg, Pennsylvania, 17101.
2. Michelle Painter, Esquire, is a member in good standing of the bar of the Commonwealth of Virginia, having been admitted to practice in 1995.
3. Michelle Painter has been in-house counsel for MCI and its predecessor and affiliates for over six (6) years. Because of her employment by MCI, she is uniquely qualified to represent and identify the interests of the company. Michelle Painter has appeared in many

proceedings before the Commission Pro Hac Vice, including the proceedings which underlie the instant proceeding, and has also handled numerous customer complaints before the Commission.

WHEREFORE, I move that Michelle Painter, Esquire, be admitted to practice Pro Hac Vice on behalf of MCI WorldCom Network Services, Inc. in the above-captioned proceeding.

Respectfully submitted,

ECKERT SEAMANS CHERIN & MELLOTT, LLC



Kathleen Misturak-Gingrich, Esquire
213 Market Street, 8th Floor
Harrisburg, Pennsylvania 17101
Telephone: 717.237.6067

Date: June 2, 2003

Attorneys for MCI WorldCom Network Services, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused a true copy of MCI WorldCom Network Services, Inc.'s Motion for Admission Pro Hac Vice to be served via U. S. Mail, postage prepaid, upon the parties of record in Docket No. C-20027195 in accordance with the requirements of 52 Pa. Code Sections 1.52 and 1.54 in the manner and upon the parties listed below.

Dated in Harrisburg, Pennsylvania on June 2, 2003:

Patricia Armstrong, Esquire
Thomas Thomas Armstrong & Niesen
212 Locust Street, Suite 500
Harrisburg, Pennsylvania 17101
Telephone: 717.255.7627
Facsimile: 717.236.8278
E-mail: parmstrong@ttanlaw.com

Susan DeBusk Paiva, Esquire
Julia A. Conover, Esquire
Verizon Pennsylvania Inc.
1717 Arch Street 32 NW
Philadelphia, Pennsylvania 19103
Telephone: 215.963.6068
Facsimile: 215.563.2658
E-mail: susan.d.paiva@verizon.com
E-Mail: Julia.a.conover@verizon.com

Kenneth L. Mickens, Esquire
Office of Trial Staff
PA Public Utility Commission
Commonwealth Keystone Building
400 North Street – 2nd Floor
Harrisburg, Pennsylvania 17120
Telephone: 717.787.1976
Facsimile: 717.772.2677
E-mail: kmickens@state.pa.us

Steven C. Gray, Esquire
Angela T. Jones, Esquire
Office of Small Business Advocate
Suite 1102 Commerce Building
300 North Second Street
Harrisburg, Pennsylvania 17101
Telephone: 717.783.2525
Facsimile: 717.783.2831
E-mail: sgray@state.pa.us
E-Mail: anjones@state.pa.us

Zsuzsanna E. Benedek, Esquire
United Telephone
240 North Third Street - Suite 201
Harrisburg, Pennsylvania 17101
Telephone: 717.236.1385
Facsimile: 717.238.7844
E-mail: sue.e.benedek@mail.sprint.com

Robert C. Barber, Esquire
AT&T Communications of Pennsylvania Inc.
3033 Chain Bridge Road
Oakton, Virginia 222185
Telephone: 703.691.6061
Facsimile: 703.691.6093
E-mail: rcbarber@att.com

Joel H. Cheskis, Esquire
Philip R. McClelland, Esquire
Barrett C. Sheridan, Esquire
Shaun A. Sparks, Esquire
Office of Consumer Advocate
555 Walnut Street - 5th Floor
Forum Place
Harrisburg, Pennsylvania 17101-1923
Telephone: 717.783.5048
Facsimile: 717.783.7152
E-mail: jcheskis@paoca.org
E-mail: pmcclelland@paoca.org
E-mail: BSheridan@paoca.org
E-mail: ssparks@paoca.org

Russell M. Blau, Esquire
Swidler Berlin Shereff Friedman LLP
3000 K Street NW - Suite 300
Washington, DC 20007-5116
Telephone: 202.424.7500
Facsimile: 202.424.7647
E-mail: rmbrau@swidlaw.com

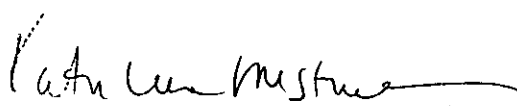
The Honorable Cynthia W. Fordham
Office of Administrative Law Judge
Public Utility Commission
1302 Philadelphia State Office Building
Philadelphia, Pennsylvania 19130
Telephone: 215.560.2105
Facsimile: 215.560.3133
E-mail: cfordham@state.pa.us

John F. Povilaitis, Esquire
Ryan, Russell, Ogden & Seltzer
800 North Third Street - Suite 101
Harrisburg, Pennsylvania 17101
Telephone: 717.236.7714
Facsimile: 717.236.7816
E-mail: jpovilaitis@ryanrussell.com

Michelle Painter, Esquire
Carl D. Geisy, Esquire
MCI
1133 19th Street, NW
Washington, DC 20036
Telephone: 202.736.6204
Facsimile: 202.736.6242
E-mail: Michelle.Painter@wcom.com

Thomas W. Snyder, Esquire
Qwest Communications Corporations
1804 California Street - Suite 80202
Denver, Colorado 80202
Telephone: 303.672.2841
Facsimile: 303.296.4575
E-mail: twsnyder@qwest.com

Date: June 2, 2003


Kathleen Misturak-Gingrich, Esquire
Counsel for MCI WorldCom Network Services, Inc.

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SECRETARY'S BUREAU

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

AT&T Communications of Pennsylvania, :
Inc., : Docket No. C-20027195
v. :
Verizon North Inc. :

ORDER

NOW, this _____ day of _____, 2003, upon consideration of the Motion of Kathleen Misturak-Gingrich, Esquire to grant admission Pro Hac Vice of Michelle Painter, Esquire, for the limited purpose of representing MCI WorldCom Network Services, Inc. in the above-captioned proceeding, the Motion is granted.

_____ J.

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SECRETARY'S BUREAU

ORIGINAL

REF

C. 20027195



Robert C. Barber
Senior Attorney

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Room 3D
3033 Chain Bridge Road
Oakton, VA 22185
703 691-6061
FAX 703 691-6093
EMAIL rbarber@att.com

June 2, 2003

BY OVERNIGHT MAIL

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JUN 02 2003

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

James McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Joint Access Proposal in Response to
Access Charge Investigation
Docket Nos. M-00021596, P-00991648, and P-00991649

Dear Mr. McNulty:

Enclosed for filing in the above-referenced proceeding are the original and three (3) copies of the AT&T Communications of Pennsylvania, LLC.'s Answer to the Petition for Reconsideration filed in this matter by The United Telephone Company of Pennsylvania d/b/a Sprint and the Rural telephone Coalition Companies.

Please contact me if you have any questions regarding the enclosures.

Very truly yours,

Robert C. Barber

Enclosures

cc: (w/ encl)
The Honorable Robert A. Christenson
The Honorable Michael C. Schnierle
The Honorable Cynthia W. Fordham
Elizabeth Barnes, Esq.
Bohdan R. Pankiw, Esq.
Ms. Cheryl Walker Davis
Mr. Robert A. Marinko
Service List

162

Certificate of Service
Docket Nos. M-00021596, P-00991648, P-00991649

The undersigned hereby certifies that true and correct copies of the AT&T Communications of Pennsylvania, LLC.'s Answer to the Petition for reconsideration were caused to be served on the persons named below by electronic and overnight or regular mail in accordance with the requirements of 52 Pa. Code §§1.52 and 1.54:

Patricia Armstrong*
PO Box 9500
Harrisburg, PA 17108
Fax – 717-236-8278
Phone – 717-255-7600
e-mail – parmstrong@ttanlaw.com
(for Rural Telephone Company Coalition)

Michelle Painter
MCI WorldCom, Inc.
1133 19th Street, NW
Washington, DC 20036
Fax – 202-736-6242
Phone – 202-736-6204
e-mail – Michelle.Painter@wcom.com
(for MCI WorldCom, Inc.)

Philip F. McClelland*
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
Fax – 717-783-7152
Phone – 717-783-5048
e-mail – pmcclelland@paoca.org
(for Office of Consumer Advocate)

Zsuzsanna E. Benedek*
1201 Walnut Bottom Road
Carlisle, PA 17013-0905
Fax – 717-245-6213
Phone – 717-245-6346
e-mail – sue.e.benedek@mail.sprint.com
(for Sprint Communications Company, L.P. and
The United Telephone Company of
Pennsylvania)

Alan Kohler
Daniel Clearfield
Wolf Block Schorr & Solis-Cohen
Locust Court, Suite 300
212 Locust Street
Harrisburg, PA 17101
Fax – 717-237-7161
Phone – 717-237-7160

Steven Gray, Esq.
Office of Small Business Advocate
Suite 1102, Commerce Building
300 North Second Street
Harrisburg, PA 17101
Fax – 717-783-2831
Phone – 717-783-2525

Julia A. Conover, Esq.*
Verizon Pennsylvania, Inc.
1717 Arch Street 32 NW
Philadelphia, PA 19103
Fax – 215-563-2658
Phone – 215-963-6001
e-mail – Julia.A.Conover@verizon.com
(for Verizon Pennsylvania Inc.)

Kandace Melillo, Esq.
Pennsylvania Public Utility Commission
Office of Trial Staff
P.O. Box 3265
Harrisburg, PA 17105-3265
Fax – 717-772-2677
Phone – 717-783-6155



Robert C. Barber

Dated: June 2, 2003

* By overnight mail

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JUN 02 2003

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Access Charge Investigation per Global Order of September 30, 1999	:	Docket Nos. M-00021596 P-00991648 P-00991649
In re the Joint Application of Bell Atlantic Corporation and GTE Corporation for Approval of Agreement and Plan of Merger	:	Docket Nos. A-310200F0002 A-311350F0002 A-310222F0002
AT&T Communications of Pennsylvania, Inc: v. Verizon North Inc.	:	Docket No. C-20027195
Verizon Pennsylvania's 2003 Price Change Opportunity	:	Docket No. M-00031694
AT&T Communications of Pennsylvania, Inc., v. Verizon Pennsylvania Inc. Re: Verizon Pennsylvania Inc.'s 2003 PCO	:	Docket Nos. M-00031694C0001 P-00930715

DOCUMENT FOLDER

DOCKETED

JUN 8 2003

**AT&T COMMUNICATIONS OF PENNSYLVANIA, LLC.'S
ANSWER TO THE PETITION FOR RECONSIDERATION**

On May 20, 2003, the Rural Telephone Company Coalition ("RTCC") and Sprint Communications Company, L.P., petitioned the Commission to reconsider certain aspects of its Order of May 5, 2003. In that Order, the Commission had referred Sprint/RTCC's joint proposal for access reductions to the Office of Administrative Law Judge for evidentiary hearings, based on its determination that AT&T had opposed that plan.¹ For purposes of those evidentiary

¹ Order, Docket Nos. M-00021596 et seq., May 5, 2003, at 5.

proceedings, the Commission also consolidated Sprint/RTCC's proposal with the formal complaint AT&T filed on January 31, 2003 against Verizon Pennsylvania Inc.'s proposal to use its 2003 Price Change Opportunity ("PCO") to fund its contribution to the Pennsylvania Universal Service Fund.²

In their Petition, Sprint/RTCC request that the Commission grant several forms of relief. In particular, the parties request that the Commission:

(1) approve their Joint Proposal on an interim basis to permit the access rate reductions and local rate rebalancing proposed in that plan to go into effect; (2) sever AT&T's complaint against Verizon's PCO filing from consideration of the Sprint/RTCC access proposal; and (3) address issues regarding the structure of the Pennsylvania Universal Service Fund in a formal rulemaking. AT&T has no opposition to any of these requests.

First, with respect to implementation of Sprint/RTCC's proposal, the main point of AT&T's initial comments with respect to that plan was that Sprint/RTCC had not supplied sufficient information regarding the specifics of the proposal for AT&T to reach any definitive conclusions regarding its impact.³ Subsequent to the Commission's issuance of the May 5 Order, however, Sprint/RTCC provided AT&T with additional data concerning the plan. With the benefit of that new information, AT&T has been able to more fully evaluate the effects of the access

² Order at 7.

³ AT&T certainly does not concur in Sprint/RTCC's claims regarding AT&T's ability to participate in process that led to the submission of the Joint Proposal and in the alleged access the parties afforded to data concerning that proposal. See Petition for Reconsideration at 5. Nevertheless, those issues have been mooted by the parties' willingness to provide data in the wake of the Commission's May 5 Order.

reductions contemplated in the Sprint/RTCC proposal. Accordingly, while it is not joining the proposal as a party, AT&T states that it has no opposition to the immediate implementation of the access reductions and rate rebalancing set forth in the Joint Proposal.

In permitting these access reductions to go forward, the Commission certainly should not content itself with the misplaced notion that access reform has been completed. As Sprint/RTCC acknowledged in their Petition for Reconsideration, implementation of these access reductions is simply the "next step" in the road to complete access reform, not the final word.⁴ The access reductions proposed in the plan, while beneficial, clearly will not resolve, or even substantially ameliorate, the bloat in the intrastate access rates charged by Sprint or the RTCC companies, much less the problems that those inflated rates pose for consumers and competitors. And neither consumers nor competitive providers can afford to permit those problems to fester for years at a time. Thus, even as it permits the access reductions prescribed in the Joint Proposal to go into effect, the Commission must start now to aggressively seek a permanent solution to access reform for the parties to the Joint Proposal.

Second, AT&T agrees with Sprint/RTCC that AT&T's formal complaint against Verizon's proposed use of its 2003 PCO should be severed from consideration of the Joint Proposal. There is simply no logical reason for holding up the implementation of the Joint Proposal while the issues raised in AT&T's complaint are resolved. Indeed, the only ostensible connection between those

⁴ Petition for Reconsideration, at 3 (emphasis in original).

two issues is Verizon's effort to hold the continuation of the Pennsylvania USF hostage to its demand that it be permitted to use the PCO for its contribution to the USF. But this is an entirely fictitious nexus invented by Verizon solely to support its efforts to misuse the PCO. As AT&T explained in its Complaint, as well as in its Answer to Verizon's Motion to Dismiss the Complaint, there are a number of sound reasons for rejecting Verizon's proposed diversion of the PCO, including the fact that it violates the express terms of Verizon's Chapter 30 plans, as well as the fact that it will provide Verizon with an unwarranted and unfair competitive advantage over its competitors in the toll and local exchange markets. The resolution of those concerns, however, does not require that the Commission delay implementation of Sprint/RTCC's Joint Proposal.

Finally, AT&T agrees with Sprint/RTCC that the issues regarding continuation of the Pennsylvania USF require the commencement of a formal rulemaking proceeding. As AT&T explained in its Initial Comments concerning the Joint Proposal, the current contribution mechanism for the USF places an increasingly discriminatory and inequitable burden on carriers such as AT&T who, unlike wireless carriers providing intrastate telecommunications services, are required to contribute to the fund but who, unlike the ILECs that are behind the instant proposal, are expressly precluded from drawing from it. The Commission itself recognized the structural flaws in the Pennsylvania USF when it designated it in the Global Order as an "interim funding mechanism" that would expire on December 31, 2003. Thus, if the USF is to be a viable mechanism for maintaining the affordability of local exchange rates going forward, the

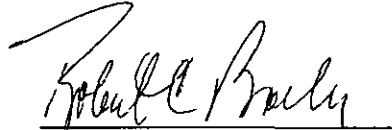
Commission must address the structural problems with that fund, and do so expeditiously.

As Sprint/RTCC point out in their Petition, the proper mechanism for addressing those issues must include a formal rulemaking proceeding.⁵ Accordingly, in resolving the instant Petition for Reconsideration, the Commission also should immediately commence a formal rulemaking proceeding to consider the continuation of and, if necessary, modifications to the current Pennsylvania USF.

Respectfully submitted,

**AT&T COMMUNICATIONS
OF PENNSYLVANIA, LLC.**

By its Attorneys,



Robert C. Barber
3033 Chain Bridge Road
Oakton, VA 22185
(703) 691-6061

Of Counsel:
Mark A. Keffer

Dated: June 2, 2003

⁵ Petition for Reconsideration at 13-14.