



COMMONWEALTH OF PENNSYLVANIA

January 19, 2018

**E-FILED**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**Re: Pennsylvania Public Utility Commission v. Verizon Pennsylvania LLC / Docket No.  
R-2017-2632523**

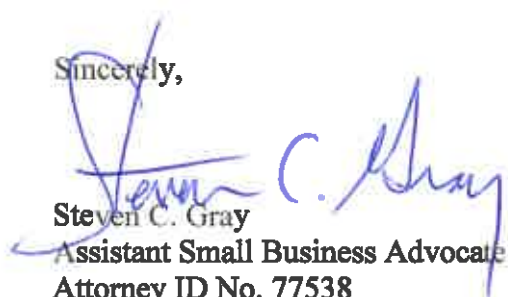
Dear Secretary Chiavetta:

I am delivering for filing today the Prehearing Memorandum, on behalf of the Office of Small Business Advocate ("OSBA"), in the above-captioned proceeding.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

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

Sincerely,

  
Steven C. Gray  
Assistant Small Business Advocate  
Attorney ID No. 77538

*Enclosures*

cc: Judge Joel H. Cheskis  
Judge Andrew M. Calvelli  
Joseph Gillan  
Parties of Record

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

|                                                   |   |                                  |
|---------------------------------------------------|---|----------------------------------|
| <b>PENNSYLVANIA PUBLIC UTILITY<br/>COMMISSION</b> | : |                                  |
|                                                   | : |                                  |
|                                                   | : |                                  |
| v.                                                | : | <b>DOCKET NO. R-2017-2632523</b> |
|                                                   | : | <b>C-2017-2633476</b>            |
| <b>VERIZON PENNSYLVANIA LLC</b>                   | : |                                  |

---

**OFFICE OF SMALL BUSINESS ADVOCATE  
PREHEARING MEMORANDUM**

---

**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 pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 (“the Act”). 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 Steven C. Gray. Please address all correspondence as follows:

Steven C. Gray, Esquire  
Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, Pennsylvania 17101  
(717) 783-2525  
(717) 783-2831 (fax)  
[sgray@pa.gov](mailto:sgray@pa.gov)

## **II. FILING BACKGROUND**

On November 1, 2017, Verizon Pennsylvania LLC (“Verizon PA” or the “Company”) submitted its 2018 Price Change Opportunity (“PCO”) filing to the Pennsylvania Public Utility Commission (“Commission”). The 2018 PCO filing proposes to increase Verizon PA’s annual revenue by \$1,257,000.

The OSBA filed a Complaint on November 13, 2017.

## **III. IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES**

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

Mr. Joseph Gillan  
P. O. Box 540386  
Merritt Island, Florida 32954  
Joseph@gillanassociates.com

After an initial review of the materials submitted by Verizon PA, the OSBA has identified the following issues:

1. Does Public Utility Code, 66 Pa. C.S. § 3015(g) maintain the requirement that business rates that are not subject to a rate cap under Verizon’s Alternative Regulation Plan are nonetheless limited by the requirement of section 1301 that rates must be just and reasonable?
2. Is the presumption that rates are just and reasonable in § 3015(g) applicable to only those rates subject to annual rate change *limitations* set forth in a local exchange telecommunications company’s effective commission-approved alternative form of regulation plan?
3. Are business rates that are not subject to annual rate change limitations set forth in a local exchange telecommunications company’s effective commission-approved alternative form of regulation plan protected by section 1301’s requirement that rates must be just and reasonable?

4. Are Verizon's proposed increases in business rates just and reasonable?

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

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

**IV. SERVICE OF DOCUMENTS**

The OSBA requests that all parties serve a hard copy of any document filed in this case upon the OSBA and the OSBA witness identified above. In addition to hard copies of pleadings, briefs, and exceptions, the OSBA requests hard copies of responses to discovery propounded by the OSBA or any other party.

**V. DISCOVERY**

The OSBA does not propose any discovery modifications.

**VI. SETTLEMENT**

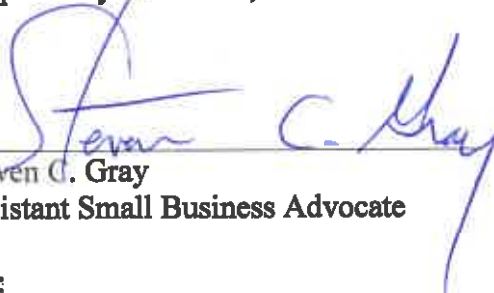
The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

**VII. HEARING AND BRIEFING SCHEDULE**

It is the OSBA's understanding that Verizon PA will attach a proposed procedural schedule to its prehearing memo. That proposed procedural schedule is acceptable to the OSBA.

The OSBA respectfully requests that any hearings take place in Harrisburg.

Respectfully submitted,



Steven C. Gray  
Assistant Small Business Advocate

For:

John R. Evans  
Small Business Advocate

Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101

Dated: January 19, 2018

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PENNSYLVANIA PUBLIC UTILITY  
COMMISSION** :

v. :

**VERIZON PENNSYLVANIA LLC** :

**DOCKET NO. R-2017-2632523  
C-2017-2633476**

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing have been served via email and/or First-Class mail (unless other noted below) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Joel H. Cheskis  
The Honorable Andrew M. Calvelli  
Administrative Law Judges  
Pennsylvania Public Utility Commission  
400 North Street, 2<sup>nd</sup> Floor West  
Commonwealth Keystone Building  
Harrisburg, PA 17120  
[jcheskis@pa.gov](mailto:jcheskis@pa.gov)  
[acalvelli@pa.gov](mailto:acalvelli@pa.gov)  
(E-mail and Hand Delivery)

Barrett C. Sheridan, Esquire  
Office of Consumer Advocate  
555 Walnut Street - 5<sup>th</sup> Floor  
Harrisburg, PA 17101-1923  
[BSheridan@paoca.org](mailto:BSheridan@paoca.org)  
(E-mail and Hand Delivery)


Suzan D. Paiva, Esquire  
Assistant General Counsel  
Verizon  
1717 Arch Street, 3 East  
Philadelphia, PA 19103  
[Suzan.D.Paiva@verizon.com](mailto:Suzan.D.Paiva@verizon.com)

Richard A. Kanaskie, Esquire  
Bureau of Investigations and Enforcement  
PA Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120  
[rkanaskie@pa.gov](mailto:rkanaskie@pa.gov)  
(E-mail and Hand Delivery)

Philip J. Wood, Jr.  
State Government Affairs  
Verizon Pennsylvania  
417 Walnut Street, 1<sup>st</sup> Floor  
Harrisburg, PA 17101  
[Philip.j.wood.jr@verizon.com](mailto:Philip.j.wood.jr@verizon.com)

Paul Diskin, Director  
Bureau of Technical Utility Services  
Pennsylvania Public Utility Commission  
400 North Street  
Commonwealth Keystone Building  
Harrisburg, PA 17120  
[pdiskin@pa.gov](mailto:pdiskin@pa.gov)  
(Email and Hand Delivery)

DATED: January 19, 2018

  
Steven C. Gray  
Assistant Small Business Advocate  
Attorney ID No. 77538