BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

:

Rulemaking to Comply with the Competitive Classification of Telecommunication Retail Services Under 66 Pa. C.S § 3016(a); General Review of Regulations 52 Pa. Code, Chapter 63 and Chapter 64

Docket No. L-2018-3001391

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REPLY COMMENTS OF DEX MEDIA, INC.

INTRODUCTION

Pursuant the Commission's Advanced Notice¹ in this docket Dex Media, Inc, d/b/a "DexYP" (hereafter "Dex Media") submits these reply comments. As with its opening comments, Dex Media focuses solely on the Commission's directory rules.² Only two other commenters expressly address the directory rules, the Office of Consumer Advocate ("OCA") and the Rural LECs ("RLECs"). AT&T and Verizon supported deregulation or relaxed regulation generally. And CAUSE fully supported the OCA's comments, including a general call to ensure that consumers are protected.

Apart from Dex Media, OCA submitted the most extensive comments on directory regulation. OCA commits to "respond to any individual petitions for waiver ... similar to the

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¹ Advanced Notice of Proposed Rulemaking adopted on July 12, 2018 ("Notice").

² 52 Pa. Code § 63.21 and 52 Pa. Code § 64.191(g).

2017 Directories Order"³ and notes the need to "accommodate the interests of consumers who would still like to receive a print copy or a directory in electronic media."⁴ The RLECs simply and directly stated that, "Waivers have been granted to Verizon and CenturyLink" and that, "[t]he Commission should make waivers permanently apply to all RLECs and then eliminate this regulation for all ILECs." ⁵ Dex Media understands that Verizon supports deregulation or reduced regulation of directories and AT&T presumably does as well.⁶

While Dex Media cannot speak authoritatively for other parties, the range of comments ranges from openness to change – so long as consumers are reasonably protected – to full-blown deregulation. Change is coming, of course, driven by technology and new competitive alternatives. The world continues to transition inexorably from POTS to PANS. This proceeding is understood to be an attempt to change the regulatory paradigm – on a forward-going basis – to be more adaptable to these external drivers of change. In that spirit, Dex Media has reached out to other parties and stakeholders in an effort to explore creative options that would give consumers the protections they need while enabling regulated companies to respond better to new technologies and new entrants that often are not subject to Commission regulation. That outreach will continue.

It is important for the Commission and the parties to understand that regulation is not necessarily or inherently beneficial to consumers. That is certainly always the goal of

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³ Referring to the *Joint Petition and Notice of The United Telephone Company of Pennsylvania LLC d/b/a CenturyLink, Verizon Pennsylvania LLC and Verizon North LLC and Dex Media, Inc. to Reduce Distribution of Print Telephone Directories and Transition to Digital Publication or, Alternatively, for Relief of 52 Pa. Code § 64.191(g)*, Docket No. P-2017-2610359 (Order entered August 31, 2017)("Directories Waiver").

⁴ OCA Comments at 13.

⁵ CenturyLink filed comments as part of the RLECs group and also sought joint relief from the directory regulations along with Dex Media in the Directories Waiver docket last year.

⁶ Based on AT&T's general support for deregulation.

⁷ "Plain Old Telephone Service" and "Pretty Amazing New Stuff" as noted in Dex Media's opening comments.

regulations. But in a rapidly changing and increasingly competitive environment it is possible for regulations to do more harm than good. Dex Media takes to heart that some consumers may have a need for some directory safety net, perhaps even still years from now. But maybe the shape and size of that net can be modified. Right now, the waivers granted in 2017 in the Directories Waiver order are working very well for Dex Media and consumers. Presently no further waivers or deregulation are essential. But there will come a point when yesterday's solution no longer works. Dex Media views this docket as a chance to try to get ahead of technological changes that everyone knows will continue to come.

Dex Media will continue to work with the stakeholders in a creative and forward-looking vein. There may be room for a new paradigm. As Dex Media noted in its opening comments, it wants to get directories to people who want an use them. That is how Dex Media earns money. So at a high level the interests of Dex Media and the representatives of commercial and residential consumers are very well aligned. Dex Media hopes that this alignment, plus a willingness to be creative and forward-thinking, can lead to a reshaping of the regulatory safety net. The goal will be consensus or a least a narrowing and common understanding of any differences.

CONCLUSION

For their first 100 years or so directories helped to subsidize the cost of telephone service. For the last 10 to 20 years directories have at least paid for themselves. A time may come when that is no longer the case. Enlightened regulatory initiatives like the present proceeding will do their best to embrace and build on change to the continued benefit of consumers and industry

alike. Dex Media looks forward to helping the Commission shape that win-win future in collaboration with the other stakeholders.

Respectfully submitted this 2nd day of November, 2018.

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