

February 18, 2020

#### VIA E-File

Secretary Rosemary Chiavetta Pennsylvania Public Utility Commission Secretary's Bureau PO Box 3265 Harrisburg, PA 17105-3265

Re: Joint Petition of Verizon LLC and Verizon North LLC for Competitive Classification of All Retail Services in Certain Geographic Areas and for Waiver of Regulations for Competitive Services, Docket Nos. P-2014-2446303, -2446304

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 Chs. 63 and 64, Docket No. L-2018-3001391

Comments of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)

Dear Secretary Chiavetta,

On February 6, 2020, the Pennsylvania Public Utility Commission (Commission) issued a Tentative Order (TO) proposing to extend the temporary, 5-year waiver of specific sections of Chapters 63 and 64 of the Public Utility Code in 153 competitive wire centers served by Verizon Pennsylvania LLC (Verizon PA) and Verizon North LLC (Verizon North). The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) files the following brief letter comments in response to the Commission's February 6 TO.

CAUSE-PA was an active party to the underlying proceeding, which reclassified 153 wire centers in Pennsylvania as competitive pursuant to section 3016(a) of the Public Utility Code and approved a temporary 5-year waiver of certain sections of Chapters 63 and 64 of the Public Utility Code. CAUSE-PA also submitted comments in the 2018 telecommunication rulemaking.

CAUSE-PA's primary concern in this proceeding, as with all telecommunication proceedings, is to ensure that low-income households have universal access to basic calling services at reasonable terms and affordable rates. Universal access has been a bedrock principle of our national telecommunications policy since the passage of the Federal Communications Act of 1934, and was reaffirmed by Pennsylvania's General Assembly when Chapter 30 was enacted in 1993 and re-enacted in Act 183 of 2004. In Act 183 of 2004, the General Assembly stated clearly that it is the policy of the Commonwealth to:

[M]aintain universal telecommunications service at affordable rates while encouraging the accelerated provision of advanced services and deployment of a universally available, state-of-the-art, interactive broadband telecommunications network[.]<sup>1</sup>

Access to universal telecommunication service with reasonable terms and affordable rates is critical to the health and safety of all Pennsylvanians, and is necessary for engaging in modern society, including communicating with employers, health-care services, child care providers, social service agencies, and even emergency services.

The sections of Chapters 63 and 64 that are subject to the extended regulatory waiver involve a number of critical provisions that significantly impact the ability of consumers to access basic calling services at reasonable terms and affordable rates. For example, provisions subject to extended waiver include provisions governing the billing frequency, application of payments, credits and refunds, service termination, dispute rights, and service restoration. (TO at Appendix C). To date, there has not been any analysis of whether the regulatory waivers have negatively impacted the ability of consumers to access universal telecommunication service.

As evidenced in the Commission's UCARES report, even with the broad regulatory waivers currently in place for 153 wire centers, Verizon PA and Verizon North regularly violate the service standards set forth in Chapters 63 and 64. Between January and September of 2019, Verizon North and Verizon PA had 650 verified infractions of Chapter 63, and 74 verified

<sup>&</sup>lt;sup>1</sup> 66 Pa. C.S. § 3011(2).

infractions of Chapter 64.<sup>2</sup> In that same time-frame, there were 730 residential customer complaints, 16 payment arrangement request, and 327 inquiries for Verizon PA and Verizon North.<sup>3</sup> The Commission should carefully consider the content of these consumer calls, inquiries, and complaints before extending the current regulatory waivers to determine whether – absent regulation - competition in the 153 wire centers subject to the regulatory waiver has proven to be an adequate lever to protect consumers from harm.

CAUSE-PA was an active party in the underlying proceeding; however, we have not yet had the opportunity to access and review the proprietary data filed with the Commission to determine whether an extension of the temporary regulatory waivers may cause ongoing harm to consumers. Attached is an executed copy of Appendix A to the Commission's TO to allow CAUSE-PA to review and assess this proprietary data, which we intend to do in the next 20 days as outlined in paragraph 5 of the TO. CAUSE-PA reserves the right to file supplemental comments after conducting that review.

Nevertheless, CAUSE-PA notes that it is not entirely clear whether further review of this data will provide the information necessary to assess whether it is appropriate to extend the regulatory waivers. As CAUSE-PA noted in its comments in the Chapter 63 and 64 rulemaking, it remains unclear whether Verizon PA and Verizon North have fully implemented changes made possible by the Commission's temporary waiver of certain regulations. For example, there is still no indication that Verizon has implemented a one-tier notification for service suspension and termination. As such, the data contained in Verizon's reports regarding terminations may be of limited applicability.

For these reasons, before further action is taken to extend the waiver of various provisions in Chapters 63 and 64, CAUSE-PA urges the Commission to engage in further analysis of all available data to determine whether the regulatory waiver has impacted the ability of consumers to access universal service based on reasonable terms and affordable rates.

<sup>3</sup> Id. at 14.

<sup>&</sup>lt;sup>2</sup> Pa. PUC, BCS, UCARES, at 17 (Residential Verified Infraction Statistics by Industry – Cases Opened January through September 2019), <a href="http://www.puc.state.pa.us/General/publications-reports/pdf/UCARE-2019-3Q.pdf">http://www.puc.state.pa.us/General/publications-reports/pdf/UCARE-2019-3Q.pdf</a>.

## Respectfully submitted,

PENNSYLVANIA UTILITY LAW PROJECT

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# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Joint Petition of Verizon Pennsylvania LLC	:
And Verizon North LLC for Competitive Classification of all Retail Services in Certain	: Docket No. P-2014-2446303
Geographic Areas, and for a Waiver of	. Docket No. P-2014-2446304
Regulations for Competitive Services	:
TO WHOM IT MAY CONCERN:	
The undersigned is the	ficant stockholder, partner, owner or an ng, development, and/or marketing of products
The undersigned has read and understands the Pr Proprietary Information and Highly Confidential bound by, and comply with, the terms and condit	Information. The undersigned agrees to be
In the case of an independent expert, the undersign the provisions of numbered Paragraph 4 (a)(ii) of Acknowledgement.	
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Classification of all Retail Services in Certain

Geographic Areas, and for a Waiver of : Docket No. P-2014-2446304

Regulations for Competitive Services

Rulemaking to Comply with the Competitive : Classification of Telecommunication Retail :

Services Under 66 Pa. C.S. § 3016(a); Docket No. L-2018-3001391

General Review of Regulations 52 Pa. Code Chs.

63 and 64

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true and correct copy of the Letter / Comments of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) upon the persons and in the manner listed below in accordance with 52 Pa. Code §§ 1.51-1.59.

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Respectfully submitted,

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Dated: February 18, 2020