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March 13, 2026

Via eFile

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Verizon Pennsylvania LLC and Verizon North LLC v. Metropolitan Edison Company, Pennsylvania Electric Company, and Pennsylvania Power Company; Docket No. C-2020-3019347 – Prehearing Memorandum

Dear Secretary Homsher:

Enclosed for filing please find the Prehearing Memorandum of Verizon Pennsylvania LLC and Verizon North LLC for purposes of the Prehearing Conference scheduled for March 17, 2026.

Please do not hesitate to contact me should you have any questions.

Sincerely,

Suzan D. Paiva

Cc via email:

The Honorable John M. Coogan
Certificate of Service (attached)

CERTIFICATE OF SERVICE

I, Suzan D. Paiva, hereby certify that I have this day served a true copy of Verizon's Prehearing Memorandum 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 13th day of March, 2026.

VIA E-MAIL

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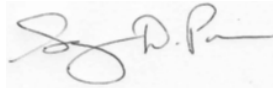
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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Verizon Pennsylvania LLC and	:	
Verizon North LLC	:	
	:	
v.	:	Docket No. C-2020-3019347
	:	
Metropolitan Edison Company, Pennsylvania	:	
Electric Company and Penn Power Company,	:	
now known as FirstEnergy Pennsylvania	:	
Electric Company	:	

VERIZON’S PREHEARING CONFERENCE MEMORANDUM

Verizon Pennsylvania LLC and Verizon North LLC (“Verizon”), pursuant to the February 18, 2026 Prehearing Conference Order, respectfully submit this Prehearing Conference Memorandum for purposes of the Prehearing Conference scheduled for March 17, 2026.

I. Brief History of Case

A more detailed history of this case is set forth in the recommended decision and Commission orders in the first phase of this case, as well as the decisions of the Commonwealth Court and Pennsylvania Supreme Court.¹

In brief, Verizon originally filed this complaint at the Federal Communications Commission (“FCC”) on November 20, 2019 challenging as unlawfully excessive the rates FirstEnergy² charges Verizon for use of excess space on FirstEnergy’s utility poles under a series of joint use agreements. The case was transferred to this Commission on March 23, 2020 after

¹ *FirstEnergy Pa. Elec. Co. v. Pa. Pub. Util. Comm’n*, 349 A.3d 165 (Pa. 2026); *Verizon Pa. LLC v. Pa. Pub. Util. Comm’n*, 303 A.3d 219 (Pa. Commw. Ct. 2023); *Verizon Pa. v. Metropolitan Edison Co.*, No. C-2020-3019347, 2021 WL 1534294 (Pa. PUC Apr. 15, 2021); *Verizon Pa. v. Metropolitan Edison Co.*, No. C-2020-3019347, 2020 WL 7682434 (Pa. PUC Dec. 18, 2020); *Verizon Pa. v. Metropolitan Edison Co.*, No. C-2020-3019347, Recommended Decision (Sept. 15, 2020).

² “FirstEnergy” refers to Metropolitan Edison Company, Pennsylvania Electric Company, and Penn Power Company, which are now known as FirstEnergy Pennsylvania Electric Company.

this Commission certified that it had issued and made effective rules and regulations implementing the Commonwealth's regulatory authority over pole attachments. The Commission assigned the case to Deputy Chief Administrative Law Judge Joel H. Cheskis for expedited proceedings to allow for a Commission decision within the 270-day deadline set by federal law and the Commission's regulations. *See* 47 U.S.C. § 224(c)(3)(B); 52 Pa. Code § 77.5(d). The parties then engaged in extensive discovery, completed several rounds of pre-served written testimony, and filed initial and reply briefs. On September 15, 2020, Judge Cheskis issued a recommended decision finding that FirstEnergy's rates were excessive and violated the Commission's pole attachment regulations. He recommended significantly reduced rates going forward and a refund of excessive amounts FirstEnergy previously collected. In a December 18, 2020 Opinion and Order, the Commission agreed with the recommended decision that FirstEnergy charged unlawfully high rates and must reduce rates going forward and provide refunds to Verizon, but clarified the burden of proof and altered the refund period. On April 15, 2021, the Commission maintained its original decision on reconsideration.

Both parties appealed to the Commonwealth Court, FirstEnergy on the merits of the rate holding and Verizon on the length of the refund period. On September 21, 2023, the Commonwealth Court issued an opinion upholding this Commission's decision without alteration. The Pennsylvania Supreme Court on January 8, 2026 issued an order vacating the Commonwealth Court's decision and remanding to the Commonwealth Court to remand to this Commission for further proceedings. The Supreme Court found that the Commission erred by giving determinative weight to a presumptive maximum pole attachment rate in the Commission's regulations, holding that the "presumptive maximum rate can be evidence of

unreasonableness, but it cannot function as a presumption under Pennsylvania law.” *FirstEnergy Pa. Elec. Co.*, 349 A.3d at 189.³

II. Service List

Pursuant to 52 Pa. Code § 1.55, Verizon’s representative for service in this proceeding is:

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Verizon agrees to receive service of documents electronically in this proceeding and requests that all documents, including any correspondence, discovery requests and answers, and Commission Orders, be served electronically on Suzan D. Paiva at Suzan.D.Paiva@verizon.com, Curtis Groves at curtis.groves@verizon.com, Christopher S. Huther at chuther@wiley.law, Claire J. Evans at cevans@wiley.law, and Frank Scaduto at fscaduto@wiley.law.

III. Settlement

Verizon is open to discussions regarding the possibility of a reasonable settlement and proposes that this proceeding be paused and all deadlines tolled for ninety (90) days while the parties participate in private mediation.

IV. Issues Relevant to this Remand Proceeding and Verizon’s Position

If the case is not settled during the mediation phase, then Verizon anticipates that the Commission will need to address the following issues as part of this remand proceeding. Verizon

³ The Supreme Court’s decision to require additional proceedings eliminated the finality of the Commission’s prior Orders in this case, so Verizon sought to conduct further proceedings at the FCC under 47 U.S.C. § 224(c)(3)(B), which states that jurisdiction reverts to the FCC “with respect to any individual matter, unless the State takes final action on a complaint regarding such matter” within a specified deadline, which is 270 days in Pennsylvania. On March 11, 2026, the FCC’s Enforcement Bureau issued an Order finding that, under the facts of this case, jurisdiction remains with this Commission. *Verizon Pa. v. Metropolitan Edison Co.*, Order, Proceeding No. 26-44, Bureau ID No. EB-19-MD-008 (EB Mar. 11, 2026).

reserves the right to raise and address other issues as warranted, and to change and supplement its position on the issues as the proceeding unfolds.

1. Just and Reasonable Rates: Do FirstEnergy's rates for Verizon's use of excess space on FirstEnergy's utility poles violate the Commission's pole attachment regulations and the Public Utility Code because they are not "just and reasonable, and in conformity with regulations or orders of the commission," *see* 66 Pa.C.S. § 508, and/or are "unjust, unreasonable, inequitable, or otherwise contrary or adverse to the public interest and the general well-being of this Commonwealth," *see* 66 Pa.C.S. § 1301?

Verizon's Position: Yes. FirstEnergy's rates violate the Commission's pole attachment regulations and the Public Utility Code because they (1) far exceed the rates in the Commission's pole attachment regulations, the rates FirstEnergy charges Verizon's competitors for use of comparable space on FirstEnergy's utility poles, and the rates FirstEnergy charges Verizon for use of excess pole space under separate agreements, (2) significantly overcompensate FirstEnergy for Verizon's use of excess space on the utility poles that FirstEnergy requires for its own electric service and provide FirstEnergy far more than the cost of service FirstEnergy incurs to lease the excess space to Verizon, (3) inappropriately require Verizon to subsidize costs FirstEnergy incurs and must incur to provide electric service, (4) improperly skew the competitive market for broadband services in Pennsylvania by requiring Verizon to incur far greater costs than its competitors to use comparable space on utility poles, which are essential to the provision of broadband service, and (5) undermine the broadband deployment goals of the Commonwealth and the Commission by overcharging Verizon and thereby diverting funds away from its extensive broadband deployment efforts. Verizon reserves the right to raise additional or more detailed evidence and arguments in its testimony and briefs.

2. Nondiscriminatory Rates: Do FirstEnergy's rates for Verizon's use of excess space on FirstEnergy's utility poles violate the Commission's pole attachment regulations and the Public Utility Code because they "make or grant any unreasonable preference or advantage to any person, corporation, or municipal corporation, or subject any person, corporation, or municipal corporation to any unreasonable prejudice or disadvantage," *see* 66 Pa.C.S. § 1304?

Verizon's Position: Yes. FirstEnergy's rates violate the Commission's pole attachment regulations and the Public Utility Code because they (1) unreasonably advantage FirstEnergy and disadvantage Verizon by requiring Verizon to cover far more than the cost of service FirstEnergy incurs to lease excess space on its utility poles to Verizon, and (2) unreasonably advantage Verizon's competitors and disadvantage Verizon by charging Verizon far more than Verizon's competitors pay for use of comparable space on the same utility poles. Verizon reserves the right to raise additional or more detailed evidence and arguments in its testimony and briefs.

3. Lawful Rates: What are the lawful rates for Verizon's use of excess space on FirstEnergy's utility poles?

Verizon's Position: The lawful pole attachment rates for Verizon's use of excess space on FirstEnergy's utility poles are the same just and reasonable rates FirstEnergy must charge Verizon's competitors under the Commission's regulations for use of comparable space on the same poles. Such non-discriminatory rates fully cover the cost of service for the excess space Verizon uses on FirstEnergy's utility poles. They also appropriately balance the interests of Verizon's consumers and FirstEnergy's consumers by ensuring that neither company is forced to cross-subsidize the other's costs. Verizon reserves the right to raise additional or more detailed evidence and arguments in its testimony and briefs.

4. Refunds: What refund is due from FirstEnergy to Verizon?

Verizon's Position: FirstEnergy should refund to Verizon all amounts FirstEnergy collected in excess of just and reasonable, nondiscriminatory rates during the refund period required by the Commission's pole attachment regulations and Section 1312 of the Public Utility Code. The Commission has already concluded that a refund is appropriate in this case. Verizon reserves the right to raise additional or more detailed evidence and arguments in its testimony and briefs.

V. Existing Record

To avoid duplication of effort, Verizon proposes that the existing record be made part of this remand proceeding, including all witness statements and evidence, and that discovery responses exchanged by the parties be available to enter into the record if they were not already so entered. Verizon also proposes that this remand proceeding be governed by the parties' June 8, 2020 Protective Agreement, which was entered for purposes of the prior phase of this proceeding.

VI. Witnesses

Verizon intends to rely on its previously filed witness statements. Verizon proposes that the parties submit supplemental testimony relating to issues not already addressed in first phase of this case and/or as warranted due to passage of time or Supreme Court decision, but avoiding duplication of the existing record. Verizon will submit supplemental testimony from its prior

witnesses, or substitutes to the extent such witnesses are not available. Verizon's witnesses should be contacted through Verizon's counsel. Verizon reserves the right to change or supplement its designation of witnesses and their areas of testimony.

In addition to his prior testimony, Verizon anticipates that Stephen Mills, Principal Engineer, Network Engineering, Verizon, 502 E. Piedmont Street, Culpeper, VA 22701, 540-718-4179, will testify about issues related to Verizon's use of excess space on FirstEnergy's utility poles, Verizon's broadband deployment efforts throughout the Commonwealth, the rates FirstEnergy charges Verizon under the agreements at issue in this case and similar agreements, and the rates set by regulation for Verizon's competitors in Pennsylvania.

In addition to the prior testimony offered by Mark Calnon, Ph.D. and Timothy J. Tardiff, Ph.D., Verizon anticipates that it will offer testimony from these witnesses (or other economic witnesses if they are not available) about the unreasonableness of FirstEnergy's rates for Verizon's use of excess space on FirstEnergy's utility poles, the cost of service associated with Verizon's use of excess space on FirstEnergy's utility poles, the just and reasonable, nondiscriminatory rates that should be set in this proceeding, and the refunds that should be awarded.

VII. Discovery

Verizon proposes that, while engaged in private mediation, the parties informally exchange information that will facilitate their discussions and a potential settlement. As discussed in the proposed schedule below, Verizon proposes that formal discovery commence on June 15, 2026 (90 days after the Prehearing Conference) or at such time that the parties agree the mediation is at impasse. Discovery should be limited to issues not already addressed in the first phase of the case and/or matters warranted due to the passage of time or the Supreme Court

decision. Verizon proposes that the Commission's standard discovery rules remain modified consistent with the Scheduling Order entered on April 14, 2020 in this proceeding as follows:

- Any discovery served after 4:30pm on Monday through Thursday, and after noon on Friday, be considered to have been served the next business day.
- A party should provide verbal notice of any objections within 3 calendar days of service of the discovery requests. If the dispute is not resolved, the party should serve written objections within 5 calendar days of service of the requests. Any motions to compel should be filed within 10 calendar days of service of the objections.
- Responses to discovery requests should be provided within 15 calendar days of service of the discovery requests.
- Any deadline that falls on a Saturday, Sunday, or Holiday should be the following business day.

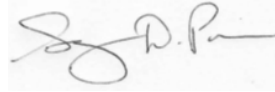
VIII. Procedural Schedule

Verizon proposes that this proceeding be paused and all deadlines tolled for ninety (90) days while the parties participate in private mediation. On June 15, 2026, or earlier if the parties agree that mediation is at impasse, the parties should submit a Status Report to the ALJ. If either party concludes that litigation should resume at that point, then the Status Report should request a Second Prehearing Conference in order to establish a procedural schedule, or include an agreed-upon schedule in lieu of a Second Prehearing Conference. Verizon has provided its proposed schedule, as well as the proposal for private mediation, to FirstEnergy and is hopeful that the parties can come to agreement on some or all of these procedural matters.

If litigation resumes following mediation, the procedural schedule should use the following timelines as a guide:

Private Mediation	90 days (March 17 to June 15, 2026)
Status Report to ALJ	June 15, 2026 (or earlier if parties agree mediation is at impasse)
Second Prehearing Conference	After Status Report (or parties to submit agreed-upon schedule in Status Report in lieu of second conference)
Formal Discovery (on issues not already addressed in first phase of case and/or as warranted due to passage of time or Supreme Court decision)	Starting June 15, 2026 (or when parties agree mediation is at impasse, if earlier)
Verizon's Supplemental Direct Testimony	Approx. 60 days after Second Prehearing Conference
FirstEnergy's Supplemental Rebuttal Testimony	Approx. 30 days later
Verizon's Supplemental Surrebuttal Testimony	Approx. 20 days later
Hearing	Approx. 2 weeks later
Initial Briefs	Approx. 30 days later
Reply Briefs	Approx. 20 days later
Recommended Decision	
Exceptions	According to the Commission's Rules or as set by the Commission
Reply Exceptions	According to the Commission's Rules or as set by the Commission

Respectfully submitted,



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Dated: March 13, 2026