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June 24, 2021

VIA ELECTRONIC FILING
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: 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 53, Chapter 63 and Chapter 64
Docket No. L-2018-3001391

Dear Secretary Chiavetta:

Enclosed please find Verizon's Reply Comments to the Commission's August 27, 2020 Notice of Proposed Rulemaking, in the above captioned matter.

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

Very truly yours,

Suzan D. Paiva/sau

Suzan D. Paiva

SDP/sau

Enclosure

Via Email
cc: David Screven, Esq., Law Bureau

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of Verizon's Reply Comments upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

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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 53, Chapter 63 and Chapter 64	Docket No. L-2018-3001391

REPLY COMMENTS OF THE VERIZON COMPANIES

On May 25, 2021, Verizon[1] submitted extensive comments responding to the Commission's Notice of Proposed Rulemaking ("NPRM") to revise portions of its regulations governing telephone service providers in Chapters 53, 63 and 64 of Title 52 of the Pennsylvania Code. While Verizon appreciates the NPRM's step in the right direction, the proposal does not go far enough in reducing regulation to establish the light touch appropriate for today's environment. Verizon provided in "Attachment 1" to its comments a rewrite of the relevant parts of Chapters 53, 63 and 64 that is more in keeping with the statutory directive to take a fresh look and reduce regulations to ensure parity with the emergence of new industry participants in the rapidly evolving competitive market.[2] Verizon urges the Commission to consider Verizon's alternative proposal and not to adopt the NPRM rules as issued, which would simply set in stone another version of micro-managing, monopoly-era regulatory mandates that would be outdated as soon as they are promulgated.

Verizon submits these reply comments to respond to issues raised by the other commenting parties.

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1 These Reply Comments are filed on behalf of the Verizon affiliated companies that are regulated by this Commission, including Verizon Pennsylvania LLC, Verizon North LLC, MCImetro Access Transmission Services Corp., MCI Communications Services, Inc., XO Communications Services, LLC, Verizon Long Distance LLC, and Verizon Select Services, Inc.

2 66 Pa. C.S. § 3011(13); 66 Pa. C.S § 3019(b)(2).

I. Industry Comments

The vast majority of providers that actually serve customers today did not comment on the NPRM, which is not surprising because they are not subject to Commission oversight and are free to operate without these outdated regulations. Voice communications are now dominated by unregulated services such as smart phones and other mobile devices, cable telephony, other Voice over Internet Protocol (VoIP) services, and web-based platforms like FaceTime, Skype, Zoom, Teams, BlueJeans, WebEx, and the like. (Verizon Comments at 6-9). Consumers also opt for non-voice communications such as texting, email, and social media (Facebook, Twitter, Instagram, TikTok, Snapchat, etc.). Picking up a regulated landline to dial or receive a voice telephone call is increasingly rare.

The other industry comments were limited to incumbent local exchange carriers ("ILECs"), two new competitive carriers affiliated with rural electric cooperatives, and the directory publisher Thryv, Inc. ("Thryv," formerly known as Dex Media, Inc.). They uniformly urge the Commission to scale back its proposed regulations and avoid unnecessary and outdated over-regulation of the small and shrinking set of services that are still subject to the Commission's jurisdiction. Verizon responds briefly to the other industry comments as follows.

The Pennsylvania Telephone Association ("PTA") relies on the extensive comments and information it filed in response to the Advance Notice of Proposed Rulemaking ("ANPR"), which established the public policy benefits of a modernized regulatory model along similar lines that Verizon proposes. It concludes in response to the NPRM that "[w]hile the proposed rulemaking as published does advance the discussion, it does not adequately capture many of the forward-looking provisions included in the modernized model as envisioned by the RLECs and

falls short of bringing about meaningful change." (PTA Comments at 1). Verizon agrees with the PTA.

Tri-Co Connections LLC and Claverack Communications LLC ("TCC and CCL") are rural electric cooperative affiliates that state that they are offering federally-supported broadband services in underserved areas along with voice services. It is not clear to what extent their voice services are subject to Commission regulation.[3] However, Verizon agrees with some of TCC's and CCL's points. TCC and CCL emphasize the importance of encouraging broadband deployment, particularly in rural areas, and caution that voice services should not be over-regulated in a manner that diminishes the consumer value of these new networks and services. According to TCC and CCL "Pennsylvania is on the cusp of a new phase of telecommunications deployment and competition . . . [as] carriers are developing advanced broadband networks to bring new services and innovation to rural areas of the Commonwealth. The Commission's effort to modernize, streamline and simplify its regulations is an important part of moving Pennsylvania into the next phase of competition." (TCC and CCL Comments at 31). TCC and CCL state that there should be a presumption that all services provided by competitive local exchange carriers are by definition "competitive" services under Chapter 30's regulatory scheme (TCC and CCL Comments at 6), which is reasonable and Verizon proposed exactly that in the revised regulations attached to its comments. (Verizon Attachment 1, Proposed Section 53.58(a)). TCC and CCL take particular issue with the regulation at 52 Pa. Code § 64.24 (requiring bundles to be converted to "basic" voice service rather than disconnected for non-payment), which the Commission proposes to retain. Verizon proposes the elimination of this

[3] Verizon is not aware of the details of TCC's and CCL's voice services, but to the extent they are Voice over Internet Protocol ("VoIP") services the Commission's authority over them is limited and they would not be subject to the regulations at issue. *See* Voice over Internet Protocol Freedom Act, 73 P.S. §2251.1, et seq.

rule, and TCC's and CCL's experience further supports its elimination. They point out technical limitations with implementing this requirement on new networks and note that it discourages the very bundles that customers want, requires a service that does not comport with today's customer expectations, and places jurisdictional telecommunications carriers at a competitive disadvantage. (TCC and CCL Comments at 4, 22). TCC and CCL are correct that "[t]hese requirements appear to dictate that every carrier will offer 'basic' service that has no room for variety or innovation. This is antithetical to the goal of promoting product and provider diversity in the Commonwealth." (TCC and CCL Comments at 8). Verizon agrees that 52 Pa. Code § 64.24 should be eliminated.

While Verizon agrees with the above points, it respectfully disagrees with many of TCC's and CCL's specific line edits to the Commission's proposed regulations because they simply do not go far enough and suffer from the same flaw that underlies the whole NPRM by merely line-editing outdated, monopoly-era rules instead of rethinking them fundamentally. In particular TCC and CCL do not appear to be qualified to opine on the appropriate level of regulation for ILECs since they are not ILECs and are relatively new entrants into the communications industry with a limited service territory and mission.

Thryv, the directory publisher, correctly notes that "[t]he traditional directory market is now small enough, and competitive options ubiquitous enough, that no further regulation of any sort is in the public interest." (Thryv Comments at 2). Verizon agrees and argued in its own comments that the Commission's proposal to codify existing directory waiver conditions rather than eliminating directory rules altogether is not sufficiently forward-looking. As Thryv points out, this proposal "would still leave the Commission's regulations several years behind the market." (Thryv Comments at 3). While past waiver conditions served a purpose as the

Commission transitioned away from saturation delivery of white pages, the time has come for the Commission to eliminate Section 63.21 and any other rules relating to telephone directories such as Sections 64.191(g) and 63.21(c)(5). As Thryv notes, eliminating regulation does not mean immediately eliminating paper directories, but rather would provide directory publishers such as Thryv and their ILEC customers the flexibility to work with market forces to prolong print as long as consumers and advertisers support print. (Thryv Comments at 4).

II. Comments of Consumer Advocate Aligned Parties

There are also no real surprises in the comments submitted by the consumer advocate aligned parties, the Office of Consumer Advocate ("OCA") and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE"). From the beginning, these parties have adopted an attitude of "if in doubt, regulate." They have failed to substantiate their outdated assumptions with any real world evidence and have not acknowledged or appreciated the negative consequences to consumers and the industry of retaining overly prescriptive monopoly-era regulations in today's environment.

The fundamental flaw in OCA's position (which is reflected in the NPRM's adoption of many of OCA's arguments) is that it refuses to acknowledge the reality of the market or to demonstrate any benefit from the heavy-handed regulatory scheme it advocates. OCA simply assumes that most of the regulations from the 1940's and 1980's can be reissued as new regulatory requirements in 2021, without any in depth analysis of the facts based on today's market or technology. OCA has not provided evidence to support the need for the rules it advocates, a showing that is required by the Regulatory Review Act and the Public Utility Code.

The purpose of the regulatory review process is to avoid "regulations being promulgated without undergoing effective review concerning cost benefits, duplication, inflationary impact and conformity to legislative intent," and therefore the Regulatory Review Act requires an

executive agency "to justify its exercise of the authority to regulate before imposing hidden costs upon the economy of Pennsylvania."[4] Most fundamentally, the agency must demonstrate that a proposed regulation "is consistent with the statutory authority of the agency and with the intention of the General Assembly in the enactment of the statute upon which the regulation is based."[5] The Public Utility Code, which is the source of the Commission's authority to regulate telephone services, requires the Commission to review and revise its telecommunications regulations to "take into consideration the emergence of new industry participants, technological advancements, service standards and consumer demand,"[6] consistent with the stated legislative intent to "[r]ecognize that the regulatory obligations imposed upon the incumbent local exchange telecommunications companies should be reduced to levels more consistent with those imposed upon competing alternative service providers."[7] The proposed regulations do not comply with that standard.

The Regulatory Review Act also requires a showing that the proposed regulations are in the public interest. This proof requires evidence of the "[e]conomic or fiscal impacts of the regulation," such as "[d]irect and indirect costs to . . . the private sector," "[a]dverse effects on productivity or competition," the costs of preparing "required reports, forms or other paperwork," the "[n]eed for the regulation," the "[r]easonableness of requirements," and "[w]hether the regulation is supported by acceptable data."[8] OCA has not established that its proposed regulatory requirements are in the public interest with any evidence as to these factors.

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4 71 P.S. § 745.2.

5 71 P.S. § 745.5b(a).

6 66 Pa. C.S § 3019(b)(2).

7 66 Pa. C.S § 3011(13)

8 71 P.S. § 745.5b(b). "Acceptable data" is defined as "empirical, replicable and testable data as evidenced in supporting documentation, statistics, reports, studies or research." 71 P.S. § 745.3.

OCA's arguments are premised on unsubstantiated assumptions about customer behavior and an unreasonable failure to trust providers to respond to customer needs or to believe that there actually is a competitive market. From reading OCA's comments one would think nothing had changed since 1946 or the mid-1980s, when these rules were written. But everything has changed, as Verizon demonstrated in its comments. OCA is not satisfied with the fact that the general statutory requirement of 66 Pa. C.S. §1501 to provide reasonable service would continue to apply. It presumes, without any evidence, that companies will not be capable of providing good service or interacting reasonably with their customers on billing and other communications unless the commission sets prescriptive "standards" telling them exactly what they must do and say. This assumption makes no sense in an unquestionably competitive market, and the evidence demonstrates the exact opposite. The huge popularity among consumers of the large array of voice and other communications services that are not regulated by the Commission shows that providers do not need regulations telling them how to serve and communicate with their customers. These providers of unregulated services are finding a way to please customers and win their business without this Commission telling them what to do. There is no reason to believe that regulated local exchange carriers require these mandates when their competitors do not. As the Commission already recognized, "it is important that this Commission not unnecessarily distort the marketplace by perpetuating asymmetrical regulations,"[9] which is exactly what the Commission proposes to do in the NPRM. If a company does not please its customers, then the customers will leave, and they have plenty of other options. In today's rapidly changing market what is needed to please and keep customers will change over time and

[9] *Joint Petition of Verizon Pennsylvania Inc. and Verizon North Inc. for a Waiver of the Commission's Regulation Governing Toll Presubscription, 52 Pa. Code Section 64.191(e),* P-00072348 (Opinion and Order entered September 24, 2008) at 7, 9 ("*Presubscription Waiver Order*").

prescriptive regulations cannot keep up. Given that Chapters 63 and 64 were written more than thirty years ago, and in some cases more than 70 years ago, they do not comport with today's customer expectations. It is not in the public interest to force some providers to divert their resources to comply with artificial mandates and reporting requirements that customers do not value. This Commission has already recognized that it should not keep in place regulatory standards that do not "comport with customer expectations in today's competitive telecommunications marketplace," because it would "constitute enforcement for enforcement's sake."[10] OCA has not established that local exchange carriers need these prescriptive regulations to make them do the right thing by their customers, particularly in today's environment.[11]

The flaw with CAUSE's argument is similar, if more narrow. CAUSE assumes that Chapters 63 and 64 must remain virtually unchanged to protect "economically disadvantaged households" and "seniors and homebound individuals" who, CAUSE claims (without evidence), rely disproportionately on regulated landline service. (CAUSE Comments at 3, 4). There are many layers of unsubstantiated assumptions underneath CAUSE's argument.

First, there is no evidence that disadvantaged individuals and seniors would lose access to landline service, or any other voice services they wish to use, in the absence of these outdated regulations. Even if for some reason they lacked access to or interest in some kinds of communications services, the Commission has recognized that they are protected by the competitive market nonetheless because "pricing and service quality are set at the margin and not on the circumstances of an individual customer," so even persons (likely very few if any) who

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[10] *Call Center Waiver Order* at 33.

[11] Verizon will not go through OCA's point by point discussion of each regulation because the Commission's NPRM is largely based on OCA's arguments in the ANPR stage and therefore Verizon has already discussed the reasons why the Commission should not retain the regulations advocated by the OCA in its comments to the NPRM.

lack access to or interest in competitive alternatives "benefit from the competitive pressures created by the widespread availability of cable and wireless service."[12] Likewise, there is also no reason to believe that eliminating most of these regulations would cause service to become "unaffordable" to these customers as CAUSE asserts because these regulations do not govern rates or ratemaking, which would continue to be regulated as they are today.

Second, the idea that the entire industry must be subject to onerous outdated regulation to address the unspecified interests of a tiny subset of customers is like the tail wagging the dog. Doubtless the vast majority of consumers of communications services do not fall into these categories. There is no justification to overregulating to "protect" CAUSE's constituency, particularly where it has not been shown that these regulations are even needed for them. CAUSE has not demonstrated that these customers value the heavy-handed regulations it advocates or that the existence of these regulations has any actual effect on their choice of service. Verizon has proposed a targeted, reasonable transition where some regulations would continue to apply to stand-alone basic residential service in noncompetitive wire centers for a period of time before they sunset.

Third, CAUSE has not substantiated its assumption that individuals in poverty rely disproportionately on regulated landline service. According to the most current Centers for Disease Control ("CDC") Wireless Substitution study, 69.7 percent of adults classified as "poor" live in wireless-only households and another 10.5 percent live in wireless-mostly households, meaning landline service is irrelevant for over 80 percent of adults in poverty.[13] Among adults

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[12] *Id.* at 37.

[13] Blumberg SJ, Luke JV. *Wireless substitution: Early release of estimates from the National Health Interview Survey*, January-June 2020. National Center for Health Statistics. February 2021. DOI: https://doi.org/10.15620/cdc:100855 . For the small minority who still use landlines, many are likely using unregulated cable telephone lines.

who rent rather than own their homes, 89 percent are wireless only or wireless mostly. It is notable that that the percentage of poor individuals living in wireless-only households continues to increase; it was 26 percent in 2008, 59 percent when Verizon filed its Reclassification petition in 2015, and is now 69.5 percent. This real world evidence refutes CAUSE's unsubstantiated claim that "[e]ven in Pennsylvania's urban areas, where mobile and broadband service is relatively ubiquitous, many households - especially seniors and homebound individuals - still rely on any kind of wireline service as their primary mode of communication." (CAUSE Comments at 4). The CDC's facts also disprove CAUSE's unsubstantiated assumption that unregulated alternatives are not "affordable" or desirable to these customer categories, since an overwhelming percentage these customers have chosen to use those services over regulated alternatives. In the *Reclassification Order*, this Commission specifically rejected CAUSE's theory that "there exists a core of vulnerable customers who only desire . . . basic local exchange service," noting that "ninety-two percent of low-income Lifeline customers prefer wireless service over wireline service," that "the elderly are more than willing to subscribe to cable television services, putting them in play for cable telephony, and are also willing to cut the cord from wireline service," and therefore that the "evidence undercuts the . . . speculation that these customer groups disproportionately favor basic local exchange service."[14] The Commission also found that, even if there existed some category of customers who would never change from regulated basic stand-alone landline service, their interests would be protected by the operation of the competitive market. "[P]ricing and service quality are set at the margin and not on the circumstances of an individual customer. Therefore, even without personal access to cable

[14] *Joint Petition of Verizon Pennsylvania LLC and Verizon North LLC for Competitive Classification of All Retail Services in Certain Geographic Areas and for a Waiver of Regulations for Competitive Services*, Docket Nos. P-2014-2446303 and P-2014-2446304 (Order entered March 4, 2015) ("*Reclassification Order"*) at 55.

service, all customers . . . benefit from the competitive pressures created by the widespread availability of cable and wireless service."[15]

CAUSE even opposes the minor change of making permanent the regulatory waivers that have already been in place for Verizon's competitive wire centers for the past six years, claiming without any evidence that this "would have made it difficult for many Pennsylvanians to access stable telecommunication services in their home" and "could make it more difficult for economically vulnerable consumers to access quality, stable telecommunications service." (CAUSE Comments at 2). The Commission's decision to regulate must be based on real evidence that the rules are actually needed and helpful, not on CAUSE's vague and unsubstantiated speculation.[16]

The "when in doubt, regulate" mindset of OCA and CAUSE also fails to recognize the significant downsides of the regulatory regime they espouse. The position advanced by OCA and CAUSE – and largely adopted by the Commission in the NPRM – is not just a harmless maintenance of the *status quo*. It is affirmatively harmful in many ways and not in the public interest. The negative effects of heavy-handed, monopoly-era regulation have been well described in the comments to the ANPR, including anti-competitive harms and diverting resources away from meeting customer needs. The net result of keeping that regime in place is to weaken the providers of regulated services by imposing unnecessary costs and requiring process that are annoying to real world customers. This overregulation serves to drive customers away from those services, accelerating the trend that is evident in the FCC's statistics of the declining interest in regulated landline service. The statistics discussed in Verizon's Comments

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15 *Id.* at 37.

16 *See* 71 P.S. § 745.5b(b); 71 P.S. § 745.3.

demonstrate how dramatically the market and customer preference are changing and moving away from regulated landlines. If OCA and CAUSE believe that it is important to keep traditional landline service available as an option for certain customers, then they should not be arguing for a regulatory environment that will hasten its demise. The public would be best served if the Commission adopts a lighter regulatory scheme to manage the decline of these services reasonably, as proposed in Verizon's comments.

III. Additional Issues

Several parties included in their comments responses to questions listed by Chairman Brown Dutrieuille in her August 27, 2020 statement issued with the NPRM. For completeness of the record, Verizon provides its answers to the questions as follows:

1. To ensure that Pennsylvania continues to have a safe, adequate, and reliable network under Sections 1501 of the Code, should Commission-approved reliability standards addressing the inspection, testing, surveillance, and interference minimization on the providers' networks, down to the consumer's Network Interface Device (NID) be developed?

No. Chapter 15 of the Public Utility Code will continue to apply to require regulated services to be safe, adequate and reliable, which is why Verizon proposed that the Commission's regulations simply state that "[a] telecommunications carrier shall provide telecommunications service to the public in its service area in accordance with the quality of service standards set forth in Chapter 15 of the Public Utility Code." (Verizon Attachment 1, Proposed Section 63.53(a)). There is no need for the Commission to enact specific technical standards and mandates telling providers how to meet that general requirement. In today's highly competitive market, providers have sufficient incentive to do what is needed to meet customer expectations. As the Commission found in the 2015 *Reclassification Order,* "[o]verall, we are of the opinion that the market is sufficiently competitive that a customer can obtain service from other providers if Verizon's service quality is unacceptable. In essence, customers can 'vote with their

feet,' which we believe provides sufficient incentive for Verizon to provide quality service in most cases. Therefore, we believe many of our quality of service regulations are no longer necessary in competitive wire centers."[17] Specific and proscriptive regulatory mandates cannot keep up with rapidly changing customer expectations and will put providers of regulated service at a competitive disadvantage. The Commission has already recognized these facts, holding in 2008 that "in an increasingly competitive telecommunications market, one in which a significant percentage of customers makes voice calls . . . using the services of wireless providers and/or VoIP, it is important that this Commission not unnecessarily distort the marketplace by perpetuating asymmetrical regulations,"[18]and in 2012 that regulatory standards that do not "comport with customer expectations in today's competitive telecommunications marketplace," would "constitute enforcement for enforcement's sake."[19]

2. To promote reasonable and adequate service, should there be a specific response time for documenting and showing the resolution of problems with service installations, trouble reports, interference, and service outage except where the consumer agrees otherwise? What should those times be? How should consumer consent to a different time be recorded?

No. For the same reasons discussed in response to question 1, these specific regulatory mandates are not necessary in a competitive market and would put regulated providers at a competitive disadvantage.

3. Should the regulations on installation, interference, trouble reports, and service outages contain a remedy for failure to perform? For example, an automatic reduction by a fixed percentage of the consumer's bill, for times when the service provider fails to meet the required or agreed upon response time? If so, what is a reasonable remedy?

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17 *Reclassification Order* at 85.

18 *Presubscription Waiver Order* at 7, 9 (emphasis added).

19 *PUC v. Verizon Pennsylvania Inc*., Docket No. M-2008-2077881 (Opinion and Order entered October 12, 2012) at 33 ("*Call Center Waiver Order*").

No. For the same reasons discussed in response to question 1, these specific regulatory mandates are not necessary in a competitive market and would put regulated providers at a competitive disadvantage.

4. Should there be a threshold for installations, interference, trouble reports, and service outages which requires not only notification but also a report demonstrating the problem's source and resolution? Should any issue or report provided to the FCC automatically be reported to the Commission?

No additional regulations of this nature are required. For the same reasons discussed in response to question 1, specific regulatory mandates are not necessary in a competitive market and would put regulated providers at a competitive disadvantage. Also, the Commission already has service outage reporting regulations at Chapter 67 that are not subject to this rulemaking and that allow telephone providers "in lieu of the service outage report required under subsection (b)" to "file a comparable outage report required by the Federal Communications Commission as long as the comparable report, at a minimum, contains [certain] information."[20] The FCC also has a docket open to consider sharing certain outage information with state agencies and the Commission has filed comments.[21] No additional action on this issue is necessary.

5. The proposed regulations understandably eliminate some subchapters in their entirety and propose to rely on Commission consumer education instead. Should a small portion of the chapter be retained that explains the matter to the consumer and should there be a provision educating the consumer about their right to contact the Commission or file an informal or formal complaint?

No. It is not necessary to include this information in the regulations. If the Commission believes it would be helpful, the Commission could include consumer educational material on its

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[20] 52 Pa. Code § 67.1(f)(3).

[21] *Amendments to Part 4 of the Commission's Rules Concerning Disruptions to Communications*, PS Docket No. 15-80, Second Further Notice of Proposed Rulemaking, FCC 20-20 (2020).

website. Practically speaking, consumers are more likely to find and understand the information on the Commission's website rather than by looking at regulations.

6. The revision proposes to end any regulation of Automatic Dialing Devices, an earlier form of robocalls. Federal law and state efforts continue to try to eradicate robocalls. Should the Commission revise this subchapter to address robocalls? If so, how?

No. Verizon agrees that combatting robocalls is an important industry issue. However, the FCC is already engaged in significant efforts to address robocalling, Caller ID spoofing and the like.[22] The benefit of addressing the problem at the federal level is that the FCC can engage VoIP and wireless providers that are beyond this Commission's jurisdiction to reach and can also enforce uniform, national requirements. The Commission can monitor the issue and participate in the FCC proceeding if it proves necessary to do so.

7. The revisions in Section 63.59 address operator-assisted calls but there is no specific time-period in which a consumer can reach a live customer service representative. Should there be a specific time period, and if so, what should it be? Should there be a remedy for noncompliance?

No. For the same reasons discussed in response to question 1, these specific regulatory mandates are not necessary in a competitive market and would put regulated providers at a competitive disadvantage. The competitive market provides sufficient incentives for companies to provide their customers with access to customer service on the timeline and in the method that consumers demand and expect.

8. Should the Section 63.63 provisions governing transmissions on traditional and fiber networks use the definition for incumbent local exchange carrier or competitive telecommunications carrier, as proposed in Section 53.57 and not an undefined term like jurisdictional telecommunications public utility? Should the scope of Section 63.63 include traditional or fiber connection both fully and partially deployed given the patchwork quilt of Pennsylvania's networks?

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[22] The FCC is addressing call authentication and robocall issues on an industry-wide basis in WC Docket No. 17-97 ("In the Matter of Call Authentication Trust Anchor") and WC Docket No. 17-59 ("In the Matter of Advanced Methods to Target and Eliminate Unlawful Robocalls").

No. Section 63.63 was waived six years ago for Verizon's competitive exchanges and there is no reason to reinstate it now. As proposed, it basically tells providers to maintain a voice signal clear from interference, including where provided over fiber optic facilities. This rule is completely unnecessary. Section 1501 is sufficient to require regulated service to be of good quality without the need to state this in a rule and if providers do not meet the level of service that customers expect, then customers will abandon them for a competitor. Also of note, the Commission regulates services. If a regulated voice service is provided over fiber optic facilities then it is subject to the requirements of Section 1501 but the Commission does not regulate other services provided over fiber such as VoIP, television or internet access.

9. While traditional metering addressed "local" and "long distance" calling for billing and is no longer as relevant due to bundled service, should Section 63.64 be revised to encompass the ongoing metering measurements that network owners are doing to monitor and manage their network traffic? How should the Commission be informed about network monitoring, challenges, and their resolutions – particularly given the "bursty" nature of internet protocol transmission?

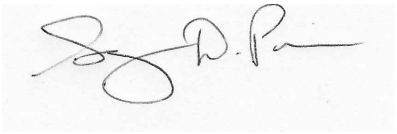
No. This 33 year old regulation was waived for Verizon's competitive exchanges in 2015 and should not be reinstated now. This regulatory mandate for metering, testing, inspections and preventative maintenance is intrusive micro-managing that is completely unnecessary. Competitive pressure is sufficient to require regulated providers to conduct whatever inspections and maintenance are necessary to keep service at a level that meets customer expectations without the need to state this in a rule. If providers do not meet the level of service that customers expect, then customers will abandon them for a competitor. Moreover, the Commission still has authority to enforce reasonable service under Section 1501 if that ever

becomes an issue. This rule should be eliminated. Moreover, the Commission does not have jurisdiction over internet protocol traffic.[23]

IV. Conclusion

Verizon supports the Commission's proposal to revise its regulations for telecommunications services but urges the Commission to go beyond the modest changes to its existing rules proposed in the NPRM and instead to adopt the form of rules set forth in Verizon's Attachment 1 to its comments, which would provide a lighter, streamlined regulatory touch more appropriate for today's environment.

Respectfully submitted,



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Dated: June 24, 2021

[23] *See* Voice over Internet Protocol Freedom Act, 73 P.S. §2251.1, et seq.