THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1608 Session of 2013

INTRODUCED BY KAMPF, ELLIS, BARBIN, MILLARD, EVERETT, CUTLER, MICOZZIE, EVANKOVICH, KAUFFMAN, BAKER, O'BRIEN, F. KELLER, SACCONE, HEFFLEY, P. COSTA, KILLION, FEE, QUINN, C. HARRIS, FARRY, REESE, STERN, SONNEY, CLYMER, HENNESSEY, MAJOR, TOOHIL, RAPP, TALLMAN, GINGRICH, COX, VEREB, PAYNE, ADOLPH, AUMENT, M. K. KELLER, BLOOM, METCALFE, MARSHALL, D. COSTA, PICKETT, MUNDY, HICKERNELL, DENLINGER, BENNINGHOFF, CORBIN, HARHART, COHEN, GILLESPIE, MUSTIO, STEVENSON, KNOWLES, HESS AND SWANGER, JULY 1, 2013

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, JULY 1, 2013

AN ACT

Amending Title 66 (Public Utilities) of the Pennsylvania 1 Consolidated Statutes, in alternative form of regulation of 2 telecommunications services, further providing for 3 definitions, for continuation of commission-approved 4 alternative regulation and network modernization plans, for 5 alternative forms of regulation, for competitive services, 6 for access charges, for interexchange telecommunications 7 carriers and for additional powers and duties. 8 9 The General Assembly of the Commonwealth of Pennsylvania 10 hereby enacts as follows: Section 1. The definitions of "competitive service," 11 "noncompetitive service" and "protected service" in section 3012 12 of Title 66 of the Pennsylvania Consolidated Statutes are 13 14 amended and the section is amended by adding definitions to 15 read: § 3012. Definitions. 16 17 The following words and phrases when used in this chapter

shall have the meanings given to them in this section unless the 1 2 context clearly indicates otherwise: * * * 3 "Basic calling service." A service, using any technology, 4 which provides a residential customer with the ability to 5 transmit and receive voice communications, including access to 6 E-9<u>11.</u> 7 * * * 8 9 "Competitive exchange." As follows: 10 (1) A nonrural exchange declared competitive under 11 section 3016(c)(1) (relating to competitive services). 12 (2) A rural exchange declared competitive under section 13 3016(c)(2). 14 (3) A rural exchange declared competitive under section 15 3019(b.1)(3) (relating to additional powers and duties). "Competitive service." A service or business activity 16 determined to be competitive by the commission on or prior to 17 18 December 31, [2003] 2013, and a service or business activity 19 determined or declared to be competitive pursuant to section 20 3016 (relating to competitive services). * * * 21 22 "Noncompetitive service." A regulated telecommunications 23 service or business activity that has not been determined or 24 declared to be competitive and is not offered in a competitive 25 exchange. * * * 26 27 "Nonrural exchange." An exchange with a population density of at least 300 people per square mile, based on the 2010_ 28 29 Federal decennial census. * * * 30

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"Over-the-top alternative service provider." An alternative 1 service provider that provides voice service over Internet 2 3 protocol or a successor format using the wireline or wireless broadband transmission facilities operated by another entity and 4 that does not operate its own broadband transmission facilities. 5 The term does not include an entity that operates its own 6 7 wireline or wireless broadband transmission facility. "Pennsylvania universal service fund." The fund established 8 and maintained by the commission under 52 Pa. Code Ch. 63 Subch. 9 10 L (relating to universal service). * * * 11 12 "Protected service." The following telecommunications 13 services provided by a local exchange telecommunications company 14 in an exchange that is not a competitive exchange, unless the commission has determined the service to be competitive: 15 16 Service provided to residential consumers or single-(1)17 line business consumers that [is necessary to complete a 18 local exchange call provides the ability to receive and 19 transmit voice communications, including access to E-911. 20 [(2) Touch-tone service.] Switched access service. 21 (3) [(4) Special access service.] 22 Ordering, installation, restoration and 23 (5) 24 disconnection of these services. 25 * * * 26 "Rural exchange." An exchange that is not a nonrural 27 exchange. * * * 28 29 Section 2. Sections 3013(c), 3015(e)(1), (2), (4) and (6), 30 (f) and (h) and 3016(b), (c) and (d) of Title 66 are amended to

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1 read: 2 § 3013. Continuation of commission-approved alternative 3 regulation and network modernization plans. 4 * * * 5 (c) Grandfather provision. -- All services [previously 6 determined to be competitive as of December 31, 2003,] 7 determined or declared to be competitive as of January 1, 2013, 8 shall remain competitive services [unless reclassified by the commission under section 3016(c) (relating to competitive 9 10 services)]. * * * 11 12 § 3015. Alternative forms of regulation. * * * 13 14 (e) General filing requirements. -- The commission's filing and audit requirements for a local exchange telecommunications 15 16 company that is operating under an amended network modernization plan shall be limited to the following: 17 (1) Network modernization plan reports filed pursuant to 18 19 section 3014(f), except that upon filing the final report 20 following the date of 100% broadband availability elected 21 under section 3014(b), no further reports may be required. 22 An annual financial report consisting of a balance [(2) 23 sheet and income statement.] * * * 24 25 [(4) An annual service report.] * * * 26 27 [(6) An annual access line report.] * * * 28 29 (f) Other reports.--30 Notwithstanding any other provision of this title to (1)20130HB1608PN2209

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the contrary, no report, statement, filing or other document or information, except as specified in subsection (e), shall be required of any local exchange telecommunications company. [unless the commission, upon notice to the affected local exchange telecommunications company and an opportunity to be heard, has first made specific written findings supporting conclusions in an entered order that:

8 (i) The report is necessary to ensure that the local 9 exchange telecommunications company is charging rates 10 that are in compliance with this chapter and its 11 effective alternative form of regulation.

(ii) The benefits of the report substantially
outweigh the attendant expense and administrative time
and effort required of the local exchange
telecommunications company to prepare it.]

16 (2) Nothing in this subsection shall be construed to 17 impede the ability of the commission to require the 18 submission of further information to support the accuracy of 19 or to seek an explanation of the reports specified in 20 subsection (e).

21 * * *

(h) Conformance of plan.--Upon approval of a local exchange telecommunications company of network modernization plan amendments pursuant to section 3014(e), the local exchange telecommunications company's alternative form of regulation plan shall be deemed amended consistent with this [section] <u>chapter</u>. \$ 3016. Competitive services.

28 * * *

29 (b) Declaration of retail nonprotected services as30 competitive.--Notwithstanding the provisions of subsection (a),

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1 a local exchange telecommunications company may declare any 2 retail nonprotected service as competitive by filing its 3 declaration with the commission and serving it on the Office of Consumer Advocate, Office of Small Business Advocate and each of 4 the parties to the commission's proceeding in which the 5 company's network modernization plan that was in effect on 6 7 December 31, 2003, was approved by the commission, provided that 8 a local exchange telecommunications company may not use this declaration process for any service that the commission 9 10 previously has reclassified as noncompetitive under [either subsection (c) or] prior law. A declaration of a retail 11 12 nonprotected service as competitive shall be effective upon 13 filing by the local exchange telecommunications company with the 14 commission.

15

(c) [Reclassification.--

16 A party may petition the commission for a (1)17 determination of whether a service or other business activity 18 previously determined or declared to be competitive is 19 noncompetitive. The commission, after notice and hearing, 20 shall enter an order deciding the petition within 60 days of 21 the filing date or 90 days of the filing date where a protest 22 is timely filed, or the petition shall be approved.

23 (2)The petitioner shall serve a copy of the petition on 24 the affected local exchange telecommunications company if the 25 petitioner is not the company, the Office of Consumer 26 Advocate, the Office of Small Business Advocate and each of 27 the parties to the commission's proceeding in which the 28 company's network modernization plan that was in effect on 29 December 31, 2003, was approved by the commission.

30 In making its determination, the commission shall (3)

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1 consider all relevant information submitted to it, including 2 the availability of like or substitute services or other 3 business activities, and shall limit its determination to the 4 particular geographic area, exchange or density cell in which 5 the service or other business activity has been proved to be 6 noncompetitive.

7 (4) The burden of proving that a competitive service or
8 other business activity should be reclassified as
9 noncompetitive rests on the party seeking the
10 reclassification.

(5) If the commission reclassifies a service or other business activity as noncompetitive, the commission shall determine a just and reasonable rate for the reclassified service or business activity in accordance with section 1301 (relating to rates to be just and reasonable).] <u>Competitive</u> services and exchanges.--

17 (1) A local exchange telecommunications company may
18 classify any of its nonrural exchanges as a competitive
19 exchange by filing a declaration. The declaration shall take
20 effect upon filing.

21

(2) The following shall apply:

22 (i) A local exchange telecommunications company may
 23 classify any of its rural exchanges as a competitive

24 exchange by filing an affidavit and declaration that two

25 <u>or more alternative service providers operate in the</u>

26 <u>exchange</u>, as demonstrated by local number portability

27 records or other relevant information.

28 (ii) An affidavit and declaration filed under this
 29 paragraph shall take effect upon filing, except that for
 30 a nonrural telecommunications carrier that has filed an

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1	amended network modernization plan under section
2	3014(b)(3) (relating to network modernization plans)
3	committing to deploy 100% broadband availability by
4	December 31, 2015, the affidavit and declaration may not
5	take effect before January 1, 2016.
6	(iii) For purposes of this paragraph, only one of
7	the two alternative service providers may be an over-the-
8	top alternative service provider.
9	(3) The following shall apply:
10	(i) All services, except for switched access,
11	offered by a local exchange telecommunications company in
12	a competitive exchange shall be deemed competitive
13	services.
14	(ii) On the effective date of a declaration
15	specified under this subsection, a local exchange
16	telecommunications company shall continue to offer a
17	basic calling service to a residential customer who
18	subscribes to the service at the same location on the
19	effective date of the declaration, until the date the
20	customer requests that the service be disconnected or
21	January 1, 2018, whichever is earlier.
22	(4) The following shall apply:
23	(i) A residential customer of a local exchange
24	telecommunications company in an exchange declared
25	competitive may petition the commission to order the
26	local exchange telecommunications company to provide
27	service, if the customer establishes that service is not
28	available to the customer's location from another
29	provider.
30	(ii) In resolving a petition under subparagraph (i),

1	the commission may not prohibit, require or otherwise
2	<u>direct:</u>
3	(A) The choice of technology used to provide the
4	service.
5	(B) That the service be provided at a different
6	rate than the rates offered to other customers within
7	the exchange.
8	(C) The use of joint ventures to provide service
9	under this paragraph.
10	(D) That the local telecommunications company
11	provide anything other than service as defined under
12	<u>subparagraph (iii).</u>
13	(iii) For purposes of this paragraph, "service"
14	shall mean basic calling service, which may be bundled
15	with other services, at the provider's option.
16	(d) Additional requirements
17	[(1) The prices which a local exchange
18	telecommunications company charges for competitive services
19	shall not be less than the costs to provide the services.]
20	(2) The commission may not require [tariffs for
21	competitive service offerings to be filed with the
22	commission.] <u>a telecommunications carrier to file a tariff</u>
23	for a telecommunications service offering, except for
24	switched access. A contract for telecommunications service
25	may not be required to be filed or approved under section 507
26	(relating to contracts between public utilities and
27	<u>municipalities).</u>
28	(3) A [local exchange telecommunications company]
29	telecommunications carrier at its option may tariff its rates
30	subject to rules and regulations applicable to the provision
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1	of [competitive] <u>the</u> services. <u>Rate changes that are filed in</u>
2	a telecommunications carrier's tariff for competitive
3	services may go into effect on a one-day notice.
4	(4) [The commission may require a local exchange
5	telecommunications company to maintain price lists with the
6	commission applicable to its competitive services. Price
7	changes that are filed in a company's tariff for competitive
8	services will go into effect on a one-day notice.] <u>The</u>
9	following shall apply:
10	(i) A telecommunications carrier shall make the
11	rates, terms and conditions applicable to its service
12	available to the public on an Internet website or by
13	providing other written notice to a customer upon
14	<u>request.</u>
15	(ii) An increase in the rate for a protected service
16	may not take effect without approval of the commission.
17	The commission shall provide approval unless the
18	commission finds that the rate increase violates section
19	1301 (relating to rates to be just and reasonable), this
20	chapter or the company's applicable alternative
21	regulation plan.
22	(iii) The commission's review of a proposed
23	protected service rate increase must conform to the time
24	requirements of section 1308 (relating to voluntary
25	changes in rates) and any applicable alternative
26	regulation plan.
27	* * *
28	Section 3. Section 3017(b) of Title 66 is amended and the
29	section is amended by adding subsections to read:
30	§ 3017. Access charges.

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1 * * *

2	(b) Refusal to pay access charges prohibitedNo person or
3	entity may refuse to pay tariffed <u>intrastate</u> access charges for
4	interexchange <u>access</u> services provided by a local exchange
5	telecommunications company, unless it is mutually agreed to in
6	writing in an interconnection or other commercial agreement
7	between the parties.
8	* * *
9	(d) ResolutionPrior to the filing of a complaint alleging
10	a violation of subsection (b), the disputing parties shall
11	attempt, in good faith, to resolve an access charge payment
12	<u>dispute.</u>
13	(e) Complaint proceedingNotwithstanding any other
14	provision of this title, the commission shall make a final
15	decision and order granting or denying a complaint that alleges
16	a violation of subsection (b) within 180 calendar days of the
17	filing of the complaint. If the respondent continues to utilize
18	the interexchange services of the complainant during the
19	pendency of the complaint, the commission shall require
20	financial security for good cause shown.
21	Section 4. Section 3018(b)(3), (c) and (d) of Title 66 are
22	amended to read:
23	§ 3018. Interexchange telecommunications carriers.
24	* * *
25	(b) Rate regulation
26	* * *
27	(3) Nothing in this chapter shall be construed to limit
28	the authority of the commission to regulate the privacy of
29	interexchange service [and the ordering, installation,
30	restoration and disconnection of interexchange service to

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1 customers].

2 [(c) Reclassification.--The commission may reclassify 3 telecommunications services provided by an interexchange 4 telecommunications carrier as noncompetitive if, after notice 5 and hearing, it determines, upon application of the criteria set 6 forth in this chapter, that sufficient competition is no longer 7 present.]

8 (d) Construction.--Nothing in this chapter shall be9 construed:

10 [(1) To limit the authority of the commission to resolve 11 complaints regarding the quality of interexchange 12 telecommunications carrier service.]

13 (2) To limit the authority of the commission to
14 determine whether an interexchange telecommunications carrier
15 should be extended the privilege of operating within this
16 Commonwealth [or to order the filing of such reports,
17 documents and information as may be necessary to monitor the
18 market for and competitiveness of interexchange

19 telecommunications services].

20 Section 5. Section 3019(b), (c), (f)(1), (4) and (6) of 21 Title 66 are amended and the section is amended by adding a 22 subsection to read:

23 § 3019. Additional powers and duties.

24 * * *

(b) Powers and duties retained.--The commission shall retain the following powers and duties relating to the regulation of all telecommunications carriers and interexchange telecommunications carriers, including the power to seek information necessary to facilitate the exercise of these powers and duties:

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1 [(1)]To audit the accounting and reporting systems of 2 telecommunications carriers relating to their transactions with affiliates pursuant to Chapter 21 (relating to relations 3 with affiliated interests). A telecommunications carrier 4 shall file affiliated interest and affiliated transaction 5 agreements unless such agreements involve services declared 6 7 to be competitive. The filings shall constitute notice to the 8 commission only and shall not require approval by the 9 commission.]

10 (2) [To review and revise quality of service standards contained in 52 Pa. Code (relating to public utilities) that 11 12 address the safety, adequacy, reliability and privacy of 13 telecommunications services and the ordering, installation, 14 suspension, termination and restoration of any 15 telecommunications service. Any review or revision shall take 16 into consideration the emergence of new industry 17 participants, technological advancements, service standards 18 and consumer demand.] To modify service quality standards as 19 follows:

20 (i) The following shall apply: 21 (A) To review and revise quality of service 22 standards contained in 52 Pa. Code (relating to_ 23 public utilities) that address the following: 24 (I) the safety, adequacy, reliability and 25 privacy of protected services; and 26 (II) the ordering, installation, suspension, 27 termination and restoration of a protected 28 service. 29 (B) A review or revision under clause (A) shall take into consideration the emergence of new industry 30

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1	participants, technological advancements, service
2	standards and consumer demand.
3	(ii) To hear and resolve retail customer complaints
4	relating to the provision of protected services if the
5	complaint is based on one of the following:
6	(A) Truth-in-Billing regulations established by
7	the Federal Communications Commission at 47 CFR 64,
8	Subpt. Y (relating to Truth-in-Billing requirements
9	for common carriers; billing for unauthorized
10	<u>charges).</u>
11	(B) An alleged failure to comply with the
12	provisions of an applicable tariff or the rate, term
13	or condition of a protected service posted on an
14	Internet website under section 3016(d)(3) (relating
15	to competitive services).
16	(C) An alleged failure to comply with an
17	applicable service quality standard.
18	[(3) Subject to the provisions of section 3015(e)
19	(relating to alternative forms of regulation), to establish
20	such additional requirements as are consistent with this
21	chapter as the commission determines to be necessary to
22	ensure the protection of customers.]

To condition the sale, merger, acquisition or other 23 (4) 24 transaction required to be approved under section 1102(a)(3) 25 (relating to enumeration of acts requiring certificate) of a 26 local exchange telecommunications company or any facilities used to provide telecommunications services to ensure that 27 28 there is no reduction in the advanced service or broadband 29 deployment obligations for the affected property or 30 facilities.

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1	(5) In regard to a sale, merger, acquisition or other
2	transaction required to be approved under section 1102(a)(1),
3	(2), (3) and (4), the commission's review and approval of an
4	application shall conform to the following:
5	(i) The commission shall, after the filing of the
6	application, approve or disapprove the application by a
7	final order entered within 90 calendar days. The 90-day
8	period may be extended by a commission order for a period
9	not to exceed an additional 90 calendar days. The
10	application shall be deemed approved if the commission
11	fails to enter a final order within 90 calendar days of
12	filing of the application or the extended period ordered
13	by the commission.
14	(ii) If the commission approves the application with
15	a condition, the commission may impose the condition to
16	the extent necessary to ensure that the rates for
17	protected services provided to a retail consumer by the
18	applicant is just and reasonable.
19	(b.1) Pennsylvania universal service fund
20	(1) The commission shall continue to administer the
21	<u>Pennsylvania universal service fund until January 1, 2019, on</u>
22	the same terms and conditions as set forth in regulations and
23	orders, in existence on the effective date of this paragraph,
24	except that the following shall apply:
25	(i) Distribution of funds from the Pennsylvania
26	universal service fund shall be limited to a local
27	exchange telecommunications company that:
28	(A) received funds from the Pennsylvania
29	universal service fund on or before January 1, 2013,
30	and that continues to offer basic calling service in

1	the local exchange telecommunications company's
2	service territory pursuant to a tariff; or
3	(B) makes the rates, terms and conditions of the
4	local exchange telecommunications company's service_
5	offerings available to the public on an Internet
6	website under section 3016(d)(3) during the period
7	for which the funds are received.
8	(ii) The following shall apply:
9	(A) Except as provided under clause (B),
10	receipts from the Pennsylvania universal service fund
11	by a local exchange telecommunications company may
12	not be reduced below 2012 funding levels prior to
13	January 1, 2019.
14	
	(B) A local exchange telecommunications company
15	declaring one or more of its exchanges competitive
16	<u>under section 3016(c) shall have its total receipts</u>
17	from the Pennsylvania universal service fund reduced
18	by 5% each year, up to a total maximum reduction of
19	15% over a three year period. Each reduction shall be
20	calculated based on 2012 receipts and shall be
21	utilized to reduce the size of the Pennsylvania
22	universal service fund. Except as provided under this
23	clause, the designation of an exchange as competitive
24	<u>under section 3016(c) shall not affect the local</u>
25	exchange service telecommunications company's
26	receipts from the Pennsylvania universal service
27	<u>fund.</u>
28	(iii) The commission may not prohibit contributing
29	carriers from recovering Pennsylvania universal service
30	fund contributions through an end-user charge, except if

1	the commission finds that the surcharge recovers more
2	than a carrier's contributions to the Pennsylvania
3	universal service fund.
4	(iv) The commission may reset the assessment rate
5	imposed on telecommunications service providers to ensure
6	sufficient funds, except that the commission may not
7	increase the size of the Pennsylvania universal service
8	fund as set in 2012 or expand the base of contributors.
9	(v) Except as provided under subparagraphs (i),
10	(ii), (iii) and (iv), the commission may not implement
11	any other revision or change to the Pennsylvania
12	universal service fund or its implementing regulations
13	<u>until January 1, 2019.</u>
14	(vi) The listing of the associated dollar
15	contributions and receipts of Pennsylvania universal
16	service fund contributors and recipients shall be
17	considered a public record under the act of February 14,
18	2008 (P.L.6, No.3), known as the Right-to-Know Law, and
19	shall be made available on the commission's Internet
20	website.
21	(2) The following shall apply:
22	(i) The commission shall initiate an investigation
23	of the Pennsylvania universal service fund and associated
24	regulations and shall enter a final order determining, at
25	a minimum, whether the Pennsylvania universal service
26	fund should be continued. If the commission determines
27	that the Pennsylvania universal service fund should
28	continue, the commission shall make necessary changes
29	which shall take effect on January 1, 2019.
30	(ii) The investigation under subparagraph (i) shall

1	be undertaken in an on-the-record evidentiary proceeding
2	and shall comply with paragraph (1)(i), (iii), (iv) and
3	<u>(vi).</u>
4	(iii) The Pennsylvania universal service fund may be
5	continued only if the commission determines that it is
6	necessary to enable the continued provision of reliable
7	basic voice calling service at affordable and reasonable
8	rates by local exchange telecommunications companies. If
9	the commission determines that the Pennsylvania universal
10	service fund should be continued, it may not expand the
11	base of Pennsylvania universal service fund contributors
12	and may not expand the size of the Federal Universal
13	Service Fund above the level existing on December 31,
14	<u>2018.</u>
15	(3) Notwithstanding section 3016(c)(2), a local exchange
16	telecommunications company may declare an exchange
16 17	telecommunications company may declare an exchange
17	competitive after January 1, 2019, under section 3016(c)(1).
17 18	<pre>competitive after January 1, 2019, under section 3016(c)(1). The following shall apply:</pre>
17 18 19	<pre>competitive after January 1, 2019, under section 3016(c)(1). The following shall apply: (i) A local exchange company that declares an</pre>
17 18 19 20	<pre>competitive after January 1, 2019, under section 3016(c)(1). The following shall apply: (i) A local exchange company that declares an exchange competitive under this paragraph shall</pre>
17 18 19 20 21	<pre>competitive after January 1, 2019, under section 3016(c)(1). The following shall apply: (i) A local exchange company that declares an exchange competitive under this paragraph shall relinguish all support received from the Pennsylvania</pre>
17 18 19 20 21 22	<pre>competitive after January 1, 2019, under section 3016(c)(1). The following shall apply: (i) A local exchange company that declares an exchange competitive under this paragraph shall relinguish all support received from the Pennsylvania universal service fund and shall not be eligible to</pre>
17 18 19 20 21 22 23	<pre>competitive after January 1, 2019, under section 3016(c)(1). The following shall apply: (i) A local exchange company that declares an exchange competitive under this paragraph shall relinquish all support received from the Pennsylvania universal service fund and shall not be eligible to receive future support.</pre>
17 18 19 20 21 22 23 24	<pre>competitive after January 1, 2019, under section 3016(c)(1). The following shall apply: (i) A local exchange company that declares an exchange competitive under this paragraph shall relinquish all support received from the Pennsylvania universal service fund and shall not be eligible to receive future support. (ii) All service, except switched access, offered by </pre>
17 18 19 20 21 22 23 24 25	<pre>competitive after January 1, 2019, under section 3016(c)(1). The following shall apply: (i) A local exchange company that declares an exchange competitive under this paragraph shall relinquish all support received from the Pennsylvania universal service fund and shall not be eligible to receive future support. (ii) All service, except switched access, offered by a local exchange company in an exchange declared</pre>
17 18 19 20 21 22 23 24 25 26	<pre>competitive after January 1, 2019, under section 3016(c)(1). The following shall apply: (i) A local exchange company that declares an exchange competitive under this paragraph shall relinquish all support received from the Pennsylvania universal service fund and shall not be eligible to receive future support. (ii) All service, except switched access, offered by a local exchange company in an exchange declared competitive shall be deemed a competitive service.</pre>
17 18 19 20 21 22 23 24 25 26 27	<pre>competitive after January 1, 2019, under section 3016(c)(1). The following shall apply: (i) A local exchange company that declares an exchange competitive under this paragraph shall relinquish all support received from the Pennsylvania universal service fund and shall not be eligible to receive future support. (ii) All service, except switched access, offered by a local exchange company in an exchange declared competitive shall be deemed a competitive service. (4) Nothing under this chapter shall be construed to</pre>

1	1105, 47 U.S.C. § 251 or § 252) and Federal
2	Communications Commission regulations implementing
3	section 251 or 252 of the Communications Act of 1934; or
4	(ii) the commission's authority to act under section
5	251 or 252 of the Communications Act of 1934.
6	(5) Within two years of the effective date of this
7	paragraph, the commission shall review and eliminate all
8	regulations, policies and orders that are contrary to this
9	chapter. In conducting the review, the commission shall, to
10	the greatest extent possible consistent with this chapter,
11	ensure that a local exchange telecommunications company is
12	not subjected to a greater regulatory burden than applies to
13	a competing alternative service provider.
14	(c) [(Reserved).] Limitations
15	(1) Notwithstanding any other provision of this title,
16	the commission shall not have any of the following powers and
17	duties relating to the regulation of a telecommunications
18	carrier, interexchange telecommunications carrier or
19	alternative service provider:
20	<u>(i) To prohibit, require or direct a</u>
21	telecommunications carrier's, interexchange
22	telecommunications carrier's or alternative service
23	provider's choice of technology for any purpose. The
24	commission shall have no authority to regulate any
25	technology utilized or service provided by a
26	telecommunications carrier or interexchange
27	telecommunications carrier that the commission did not
28	actively regulate on January 1, 2013.
29	(ii) To approve under section 1102(a)(3) and (4)
30	either of the following:

1	(A) A reorganization of or transaction between a
2	telecommunications carrier and a parent, subsidiary
3	or an affiliated entity of which at least 20% of the
4	beneficial ownership is held directly or indirectly
5	by the same person or entity.
6	(B) A sale, transfer of stock, consolidation,
7	merger, acquisition, conveyance or lease of realty or
8	personalty that does not involve the transfer of a
9	customer of a retail service classified as protected,
10	noncompetitive or competitive under this chapter.
11	(iii) To impose upon competitive services any new or
12	existing quality of service standards, including
13	standards contained in 52 Pa. Code Ch. 63 (relating to
14	telephone service).
15	(iv) To impose upon competitive services any new or
16	existing standards on billing practices or other
17	communications with retail customers, including standards
18	contained in 52 Pa. Code Ch. 64 (relating to standards
19	and billing practices for residential telephone service).
20	(v) To regulate competitive services or facilities,
21	including regulating the services under section 1102(a)
22	(2) or Chapter 15 (relating to service and facilities).
23	(vi) To audit the accounting and reporting system of
24	a telecommunications carrier relating to its transactions
25	with an affiliate under Chapter 21 (relating to relations
26	with affiliated interests) or to require the filing or
27	commission approval of affiliated interest and affiliated
28	transaction agreement of a telecommunications carrier.
29	(2) If a provision of this chapter or other law, that
30	establishes a power or duty for the commission that is

prohibited under paragraph (1), conflicts with paragraph (1), the provisions of paragraph (1) shall control. * * *

4 (f) Lifeline service.--

* * *

* * *

5 (1) All eligible telecommunications carriers 6 certificated to provide local exchange telecommunications 7 service shall provide Lifeline service to all eligible 8 telecommunications customers who subscribe to such service. A 9 telecommunications carrier may use any available technology to provide Lifeline service without subjecting the technology 10 to greater commission regulation than would apply if the 11 service were provided by a company not subject to the 12 commission's jurisdiction. 13

14

15 [(4) Eligible telecommunications carriers shall inform 16 existing customers of the availability of Lifeline service 17 twice annually by bill insert or message. The notice shall be 18 conspicuous and shall provide appropriate eligibility, 19 benefits and contact information for customers who wish to 20 learn of the Lifeline service subscription requirements.]

21

(6) No eligible telecommunications carrier shall be
required to provide [after the effective date of this section
any new] <u>a</u> Lifeline service discount that is not fully
subsidized by the Federal Universal Service Fund.
* * *

27 Section 6. This act shall take effect in 60 days.

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