

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17105-3265**

**RULEMAKING RE: PROVISION OF BASIC SERVICE
PACKAGES PLANS BY LOCAL EXCHANGE CARRIERS**

**PUBLIC MEETING
MARCH 26, 2009
1200232-LAW
Docket No. L-00060179**

**JOINT DISSENTING STATEMENT OF
COMMISSIONER KIM PIZZINGRILLI AND
COMMISSIONER ROBERT F. POWELSON**

Before us for consideration is a final rulemaking containing amendments to Chapter 64 regulations relating to the provision of bundled service package plans at a single monthly rate by local exchange carriers. The proposed rulemaking was approved by the Commission in 2006 and published in the *Pennsylvania Bulletin* on March 3, 2007, over two years ago. A number of commentators, including the Independent Regulatory Review Commission (IRRC), questioned whether the proposed regulations were consistent with Chapter 30. Based upon the extensive comments received and the need for further information, the Commission reopened the comment period by a notice in the June 7, 2008 *Pennsylvania Bulletin*. This notice did not contain any revisions to the initially published proposal.


Although we support the stated goal of the rulemaking - to establish uniform standards for the provision of basic service within a bundled package - we do not believe that the final regulations adequately address the concerns raised by the IRRC in its filed comments. Rather, we believe that the final regulations adopted today blur the lines between the services regulated by the Commission on an "a la carte" basis and those provided in the context of a bundled service package. For example, the regulations mandate how payments are to be applied and also subject disclosure statements to Commission review. In our opinion, these provisions are inappropriate since they regulate bundled packages as a whole. Additionally, from a consumer perspective, the requirement that customers provide written instruction to the LEC if they desire to have a payment applied in a manner other than that specified in the regulations is burdensome. We question the reasonableness of this requirement, given the multitude of methods consumers currently use to communicate with service providers.

Given the rampant competition among regulated and unregulated carriers, the market, namely, consumer demand for quality services at reasonable prices and a high level of customer service, will weed out those carriers that fail to adequately meet the needs of customers. The Commission cannot and should not place regulatory barriers over the provision of service by regulated carriers while their unregulated competitors offer service strictly pursuant to an internal business plan.

In light of the fact that this rulemaking was initiated nearly three years ago and that the reopening of the comment period extended the regulatory deadline for submission to IRRC and the legislative standing committees to July 31, 2010¹, we believe a more prudent course of action would be to continue to work with the commentators to ensure that any regulations promulgated fall clearly within the authority granted by the General Assembly. The Commission must act in a manner that will result in legally sustainable and streamlined regulations that are consistent with the intent of Chapter 30.

We do not believe that today's action meets those objectives and respectfully dissent from the majority.

March, 26, 2009
Date



COMMISSIONER KIM PIZZINGRILLI



COMMISSIONER ROBERT F. POWELSON

¹ Letter from IRRC Executive Director to then-Chairman Holland dated June 10, 2008.