



McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166

Kenneth R. Stark
Direct Dial: 717.237.5378
Fax: 717.237.5300
kstark@mcneeslaw.com

March 11, 2024

VIA ELECTRONIC FILING

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

**RE: In the Matter of Rulemaking to Amend 52 Pa. Code §§ 63.161-63.171 (relating to Universal Service);
Advanced Notice of Proposed Rulemaking
Docket No. L-2023-3040646**

Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission are the Reply Comments of The Broadband Communications Association of Pennsylvania in the above-referenced matter.

Thank you.

Sincerely,

A handwritten signature in blue ink that reads 'Kenneth R. Stark'.

Kenneth R. Stark
MCNEES WALLACE & NURICK LLC

c: Colin W. Scott, Esq. (via colinscott@pa.gov)
Christopher F. Van de Verg, Esq. (via cvandeverg@pa.gov)
Spencer Nahf (via snahf@pa.gov)
Karen Thorne, RRA (via kathorne@pa.gov)
ra-pcpcregreview@pa.gov

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In the Matter of)	L-2023-3040646
Rulemaking to Amend 52 Pa. Code)	
§§ 63.161-63.171 (relating to Universal Service);)	
Advanced Notice of Proposed Rulemaking)	

**REPLY COMMENTS OF
THE BROADBAND COMMUNICATIONS ASSOCIATION OF PENNSYLVANIA**

The Broadband Communications Association of Pennsylvania ("BCAP") finds that the record formed by the initial Comments filed in the above referenced docket demonstrates that the Pennsylvania Public Utility Commission ("Commission") should end the Pennsylvania Universal Service Fund ("Fund") now and take no further action relating to the Fund (or a similar mechanism) at this time. Instead, the Commission should monitor the ongoing investment of \$1.5 billion in Pennsylvania broadband networks and developments in the federal universal service program.

The twenty-five-year-old Fund was created to ensure universal telephone service in an evolving market. Nearly three decades later, universal service has been achieved: in addition to traditional telephone service, a robust and vibrant wireless and wireline market with numerous service providers and platforms offer ubiquitous access to voice service across the state. The record supports that the transition from monopoly to competition is complete with Pennsylvania consumers receiving benefits of multiple providers offering services not contemplated in the 1990s. The Pennsylvania Telephone Association ("PTA") correctly observes that evolving competition and technologies have removed the need for most monopoly-era retail service regulation; those same forces likewise have removed the need for legacy-based surcharge-funded universal service programs aimed to support monopoly-era services.

Funding for communications infrastructure is undergoing a different transition today, moving from legacy voice networks funded by surcharges on Plain Old Telephone Service ("POTS") customers (and the associated regulation) to a market driven by broadband with an influx of state and federal dollars to support expansion to unserved and underserved locations, as overseen by the Pennsylvania Broadband Development Authority.

The emerging communications market, with its increasing levels of competition and the reality of billions of dollars of funding coming from outside traditional state universal service surcharges, is less likely to need support from surcharges assessed on legacy telephone services or other government interventions.

CONCLUSION

BCAP urges the Commission to (1) rescind regulations relating to the Fund and eliminate the Fund; (2) close this ANOPR proceeding without adopting any additional carrier or customer supported Fund; and (3) monitor the federal low-income, high cost, rural broadband and other programs to address such issues in the Commonwealth should they become a concern in the future.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By 

Kenneth R. Stark (I.D. No. 312945)

Ryan Block (I.D. No. 334653)

McNees Wallace & Nurick LLC

100 Pine Street

Harrisburg, PA 17108-1166

Phone: 717.232.8000

Fax: 717.237.5300

kstark@mcneeslaw.com

rblock@mcneeslaw.com

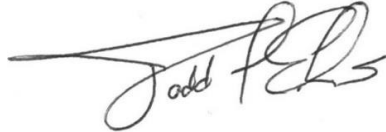
*Counsel to The Broadband Communications Association of
Pennsylvania*

Dated: March 11, 2024

VERIFICATION

I, Todd Eachus, state that I am the President of Broadband Communications Association of Pennsylvania (the “Association”); that I am authorized to make this Verification on behalf of the Association; that I have read the foregoing document; that any statements in the foregoing document with respect to the Association, except as otherwise specifically attributed, are true and correct to the best of my knowledge, information, and belief; and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: March 8, 2024

A handwritten signature in black ink, appearing to read "Todd Eachus", written over a horizontal line.

Todd Eachus, President

Broadband Communications Association of Pennsylvania