

GUY A. TRAVAGLIO, MEMBER  
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House of Representatives  
COMMONWEALTH OF PENNSYLVANIA  
HARRISBURG

COMMITTEES

LOCAL GOVERNMENT, SUB-COMMITTEE  
CHAIR ON TOWNSHIPS  
TOURISM AND RECREATIONAL DEVELOPMENT  
POLICY  
SOUTHWEST CAUCUS  
NORTHWEST CAUCUS  
VETERANS AFFAIRS

April 19, 2001

Lisa Winkler

Butler PA 1602

Dear Ms Winkler:

Thank you for your letter regarding competition among local telephone companies. Your thoughts and concerns on this issue are greatly appreciated.

As you may know, on March 22, the Public Utility Commission (PUC) decided to "functionally" separate Verizon's operations. With this decision, the PUC hopes to create more choices for Pennsylvania consumers by allowing other local telephone companies to be competitive with Verizon. Specifically, the PUC ordered Verizon to provide fair access to its retail division for competitors that want to enter local markets. Should it not do so, Verizon would face substantial penalties and fines.

Because the PUC was solely responsible for making a decision on this matter, as a state legislator, I was limited in my ability to affect its final decision. Nevertheless, I hope the PUC's decision allows for more competition among local telephone companies and is beneficial to consumers as well.

Again, thank you for your letter. If I may be of further assistance to you on this or any other matter, please do not hesitate to contact me.

Sincerely yours,

A handwritten signature in cursive script that reads "Guy A. Travaglio, Jr.".

GUY A. TRAVAGLIO, JR.  
STATE REPRESENTATIVE  
11th LEGISLATIVE DISTRICT

GAT:jg

**Vero, Fred**

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**From:** [REDACTED]  
**Sent:** Tuesday, March 27, 2001 5:16 PM  
**To:** State Representative Guy A. Travaglio  
**Subject:** Take Action Now!

Dear State Representative Guy A. Travaglio,  
I`m a TSS Lec Interface Representative with AT&T and work at the AT&T Broadband office.

As Verizon`s monopoly has grown, complaints about Verizon`s service have soared. The Public Utility Commission said complaints about Verizon`s service increased 536 percent over the past three years. Complaints focused mainly on delays in getting service, poor service that didn`t fix the problem and phone lines that suddenly went dead. It`s clear that without competition, Verizon has no incentive to improve service.

The Public Utility Commission found that Verizon discriminates against its competitors. That`s why it ordered Verizon to structurally separate its wholesale and retail divisions -- to force Verizon to treat competitors the same as it treats its own customers. If we are to have competition in Pennsylvania, structural separation is necessary so that companies have a fair chance at offering us local phone and high-speed Internet services.

The break up of the Bell system resulted in the long-distance competition and lower long-distance prices we have today. Verizon should be forced to do the same so that we can get local phone competition and lower prices. When people free to choose among several companies, they benefit. That`s why the PUC must make sure Verizon abides by the rules the commission has put in place to open the local phone market to competition.

It`s up to policy makers such as yourself to make sure Verizon isn`t allowed to become an even bigger monopoly before we are able to choose our local telephone company. Please make sure I can switch local phone and Internet companies, without any problems, before Verizon is allowed to offer long-distance.

Sincerely,  
Lisa Winkler  
[REDACTED]  
Butler, PA 16002  
  
[REDACTED]

**Vero, Fred**

---

**From:** [REDACTED]  
**Sent:** Tuesday, March 27, 2001 5:28 PM  
**To:** State Representative Guy A. Travaglio  
**Subject:** Take Action Now!

Dear State Representative Guy A. Travaglio,

I'm a Service Technician with AT&T and work at the South Hills office in Pittsburgh.

After five years, hardly anyone can choose a company other than Verizon for local phone service. Unless the Public Utility Commission makes sure Verizon stops treating its competitors unfairly, I can't see how the situation is going to change. My community deserves the best telecommunications services and better service. We will not have that unless Verizon is forced to lived up to its side of the bargain.

Verizon must abide by the PUC's Global Order so it can no longer treat competitors and competitors' customers unfairly. We will not have local phone competition and better service if it's impossible for companies to compete with Verizon. Why would anyone, even if they wanted to switch companies, do so if they know that they could lose phone service, lose directory listings or have other problems, in the process? This situation must be fixed by making sure Verizon follows the requirements set out by the PUC and the FCC. With Verizon's record of anti-competitive activities, a 95 percent market share, and increasingly poor customer service, Pennsylvania consumers have very good reason to be very concerned about this issue.

The divestiture of the Bell System, which is more radical than structural separation, resulted in the lower long-distance prices we have today. We can have local phone competition and lower local phone rates too if Verizon structurally separate so it treats competitors' customers the same as it treats its own customers.

Please make sure the Public Utility Commission does not make any last-minute changes to its Global Order on local phone competition. Companies have invested millions because of this pro-competitive Order; to change it now would deny us competition and put the PUC's credibility in future decisions in jeopardy.

Sincerely,  
Dan Graham  
[REDACTED]  
Butler, PA 16002  
  
[REDACTED]

GUY A. TRAVAGLIO, MEMBER  
HOUSE BOX 202020  
HARRISBURG, PENNSYLVANIA 17120-2020  
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SOUTHWEST CAUCUS  
NORTHWEST CAUCUS  
VETERANS AFFAIRS

March 9, 2001

Richard & Pat Saeler  
[REDACTED]  
Butler PA 16001

*Copied  
from the  
a1 saeler re  
verizon split*

Dear Richard & Pat:

Thank you for your letter regarding the structural separation of Verizon. Your thoughts and concerns on this sensitive issue are greatly appreciated.

As you know, an administrative law judge recommended that Verizon be separated into two entities. The Public Utility Commission (PUC) was notified of this recommendation and has held hearings on this matter.

As a state legislator, I have been paying close attention to these hearings and am trying to determine how much such a separation will actually stimulate competition within the technology and telecommunications industries. Most importantly, however, I am concerned with the possible separation's impact on both current and retired employees of Verizon. The PUC has been strongly encouraged to take into consideration the employees of Verizon and how a separation will affect them.

Please know that I will continue to review all of the facts surrounding this issue and, when appropriate, make a determination on what is best for the Commonwealth as a whole. If I may be of further assistance to you on this or any other matter, please do not hesitate to contact me.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Guy A. Travaglio, Jr.".

GUY A. TRAVAGLIO, JR.  
STATE REPRESENTATIVE  
11th LEGISLATIVE DISTRICT

GAT:jg

February 26, 2001

The Honorable Guy A. Travaglio  
Capitol Building  
Harrisburg, PA 17120

Dear Representative,

As a Verizon employee and a Pennsylvania citizen, I ask that you do everything in your power to stop the PUC from splitting my company in two.

If the PUC's "structural separation order" ever takes effect, the blow is not just to Verizon and my fellow 21,000 Pennsylvania employees, but to every citizen in my state.

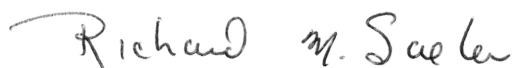
There's absolutely no reason to do this. No other state requires structural separation. Look what's happening in New York: no structural separation, and thriving competition has helped customers save about \$250 million in local and long distance charges.

Consumers will ultimately bear the brunt of the \$1 billion cost of structural separation. That will cost every consumer and business in the state between \$60 and \$80 a year per line- that's \$5 to \$7 every month for every phone line. And as CWA International Vice President Vince Maisano testified, it could threaten Verizon jobs as well as other jobs throughout Pennsylvania.

In Pennsylvania, competition is here now. More than 180 companies are now authorized by the PUC to compete with Verizon in the local service market. Competitors are serving more than 1.6 million active telephone numbers in the commonwealth. The PUC has confirmed this. Any company that wants to compete in Pennsylvania can and does.

Structural separation hurts consumers and does nothing to assure more competition. If you have already voiced your opposition to splitting Verizon, I thank you. If you haven't taken a position, I ask that you please take a stand against it.

Sincerely,

Handwritten signature of Richard M. Saaler in cursive script.

cc: Governor Ridge

Frank P. Buzydlowski  
Verizon Pennsylvania  
Director - State Government Relations  
Government Relations



March 2, 2001

Strawberry Square, 4  
Harrisburg, PA 17101

Phone 717.777.5858  
Fax 717.777.5858  
f.p.buzydlowski@verizon.com

Honorable Guy A. Travaglio  
House PO Box 202020  
Harrisburg, PA 17120-2020

Dear Representative <sup>GUY</sup> Travaglio:

Re: Structural Separation

You may be receiving letters from Verizon employees concerned about losing their jobs if an Administrative Law Judge recommendation is adopted by the PUC. My fellow employees have good reason to worry - and so do millions of Pennsylvanians who depend on Verizon for local telephone service.

Those who are pursuing the breakup of Verizon-Pennsylvania are doing so without regard to the impact on cost or service. Most don't even understand what they're asking for. And those who do understand realize that this will cost a Billion dollars to implement and Hundreds of Millions of dollars a year to operate. Why?

- We would have to create two separate operating companies: wholesale and retail.
- We would have to duplicate our systems for handling customer relations and service orders (11,000 per day).
- Directory listings and telephone number assignment would be split up.
- Engineering, installation and repair would be handled by separate companies.

This will add between \$5.00 and \$7.00 per line per month to your constituents' bills. Yet it won't increase competition. Our retail unit will still have all of our customers. But our retail unit will have to process all customer requests through our wholesale unit. That's inefficient. And that's why it will cost so much and disrupt service.

No state legislature or public utility commission has ordered what is being contemplated by the PUC. Congress and the Administration considered Structural Separation in the 1996 Telecom Act - and rejected it. Only Southern New England Telco in Connecticut tried it - and abandoned it after two years of wasted effort.

So the questions remain: Why experiment in Pennsylvania? Why endanger Verizon's extensive Chapter 30 investment in rural areas? Why force us to raise rates? This is what the PUC is grappling with right now. Its decision will directly impact your constituents. So I would be remiss if I did not warn you about the adverse consequences of Structural Separation.

Sincerely,

*BUZ*



Francis Valluzzo  
Senior Manager  
Government Affairs

1133 19th Street, NW  
4th Floor  
Washington, DC 20036  
202 736 6870  
Fax 202 736 6876

February 28, 2001

The Honorable Guy A. Travaglio  
PA House of Representatives  
4 East Wing  
Harrisburg, PA 17120

Dear Representative Travaglio:

**MCI WorldCom has filed comments asking the PUC to reject Verizon-Pennsylvania's application to provide long distance service under the Federal Telecommunications Act of 1996. Although MCI WorldCom would like to be able to support Verizon's application, at this point, Verizon's actions make that impossible. The reason is clear. Through its own actions, Verizon continues to do everything in its power to fight the Commission's efforts to develop a sustainable and irreversible local telecommunications market in Pennsylvania. Verizon's fate in entering the long distance market is in its own hands. MCI WorldCom hopes that Verizon will recognize this and instead of fighting every step of the way, will choose instead to work with the PUC and competitors to fully open the local market.**

The PUC's 1999 Global Telecommunications Order is viewed nationally as a landmark order designed to pry open Verizon's local network, which had remained monopolized for over three years after passage of the Federal Act. The heart of the plan was to put a stop to the Verizon discriminatory practices that had successfully prevented the development of competitive telecommunications markets in the Commonwealth.

There can be no doubt that the PUC's efforts have borne fruit. Competitors, including MCI WorldCom, have entered the local market for the first time, and at least some residents of the state have a choice of local telephone providers. The market is no longer tightly shut, and those who argued that regulators were powerless to pry it open have been proven wrong. **However, there is still work to be done to ensure that local competition will become vibrant throughout the entire Commonwealth, and to ensure that it is here to stay.**

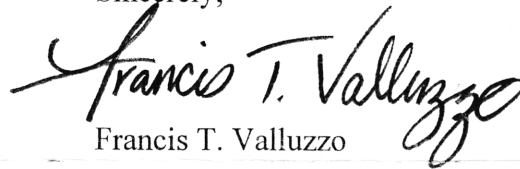
**Verizon cannot have it both ways.** On one hand, it has engaged in numerous legal and public relations challenges against the PUC's Global Order. On the other hand, it is now claiming that it should be given long distance authority because of all the actions taken by the PUC—actions that Verizon has fought, and continues to fight, tooth and nail.

**Verizon's conduct over the last five years has made it abundantly clear that if given the ability to act on its incentive to harm its competitors, Verizon will act on that incentive.** Equally clear is that whatever accommodations Verizon has made to competition have been the result of direct Commission action and by the "long distance carrot" -- that Verizon cannot be rewarded with long distance entry until it opens its local network. **If long distance authority is granted to Verizon before local competition is sustainable and irreversible, it will be that much harder to ensure that Verizon cooperates and does not discriminate against competitors.**

Obtaining PUC and FCC permission to enter the long distance market lies entirely within Verizon's control. It could choose to work with the PUC and its local competitors to resolve outstanding issues and to begin to provide nondiscriminatory treatment to its wholesale customers. If it did so choose, it could act to satisfy the long distance entry requirements of Section 271. But it has chosen not to do so, and instead continues to refuse to comply with its obligations to provide nondiscriminatory access to its network. **For that reason, MCI WorldCom opposes Verizon's application for Section 271 authority to provide long distance as long as it continues to challenge the PUC's authority, discriminate against competitors, and prevent the establishment of sustainable and irreversible local competition in Pennsylvania. MCI WorldCom hopes that Verizon will choose to stop fighting competition, and work with competitors and the PUC to make local competition something that is here to stay.**

If you have any questions, please feel free to contact me or our legislative counsel, Lench & Crisci. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Francis T. Valluzzo". The signature is written in a cursive style with a large, stylized "F" and "V".

Francis T. Valluzzo



March 12, 2001

State Representative Guy A. Travaglio  
4 East Wing Bldg.  
House Box 202020  
Harrisburg, PA 171202020

By email and by post

Dear State Representative Guy A. Travaglio,

I worked at AT&T for over 36 years.

After five years, hardly anyone can choose a company other than Verizon for local phone service. Unless the Public Utility Commission makes sure Verizon stops treating its competitors unfairly, I can't see how the situation is going to change. My community deserves the best telecommunications services and better service. We will not have that unless Verizon is forced to lived up to its side of the bargain.

Verizon is using the legal system and public scare tactics to get out of opening up its monopoly to competition. It appealed the PUC's order requiring the company to structurally separate to Pennsylvania's Commonwealth Court, and lost. Now it's threatening that structural separation will cause them to raise prices and cost jobs, which is nonsense. An administrative law judge recently said that Verizon's cost claims are "unverifiable," and Verizon testified the company would have to add 3000 jobs with structural separation.

The Pennsylvania PUC is a role model for other states when it comes to deregulation. The Wall Street Journal cited Pennsylvania as one of the only states that did electric competition right. Now, other states are starting to follow Pennsylvania's lead and want their local phone monopolies to structurally separate so that they can have local phone competition. The PUC should stand firm against Verizon so we have competition.

I urge you to make sure Verizon abides by the Public Utility Commission's Global Order that will stop the local phone monopoly from providing shoddy service to competitors trying to compete with them. Competitors must rely on Verizon to switch customers to them for service. If Verizon is able to continue to cause delays, drop directory listings or cause other problems for these companies, people will be afraid to switch to another company, even if they are dissatisfied with Verizon.

Sincerely,



Ronald L Paynter

Butler, PA 16002