

Testimony of:



before the

**Senate Communications and Technology
Committee**

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Good morning!

My name is Frank Buzydlowski and I am the Director of State Government Relations for Verizon in Pennsylvania. In that capacity, I represent and advocate for all Verizon corporate entities – landline, wireless and Internet – to the Pennsylvania Senate and House and to every agency of the Executive Branch of the Commonwealth.

I've been with Verizon and its predecessor companies, Bell of Pennsylvania and Bell Atlantic, for over 35 years, spending the last 25 years in state government affairs. And I am very proud that my career has allowed me to stay so long with an organization that has such a wide national footprint and yet has such a rich history in our state that reaches into the very fiber of our local communities.

Please allow me to share some facts and figures about us:

- Verizon has over 7,500 employees, 17,000 retirees and 35,000 shareowners living in Pennsylvania;
- We operate thousands of buildings and locations throughout the commonwealth, including landline Central Offices and remote terminals, wireless towers and Small Cell sites;
- We contribute over \$1.5 Million annually to charitable and civic organizations in this state;
- and we have invested Billions of dollars in plant and equipment right here in Pennsylvania!

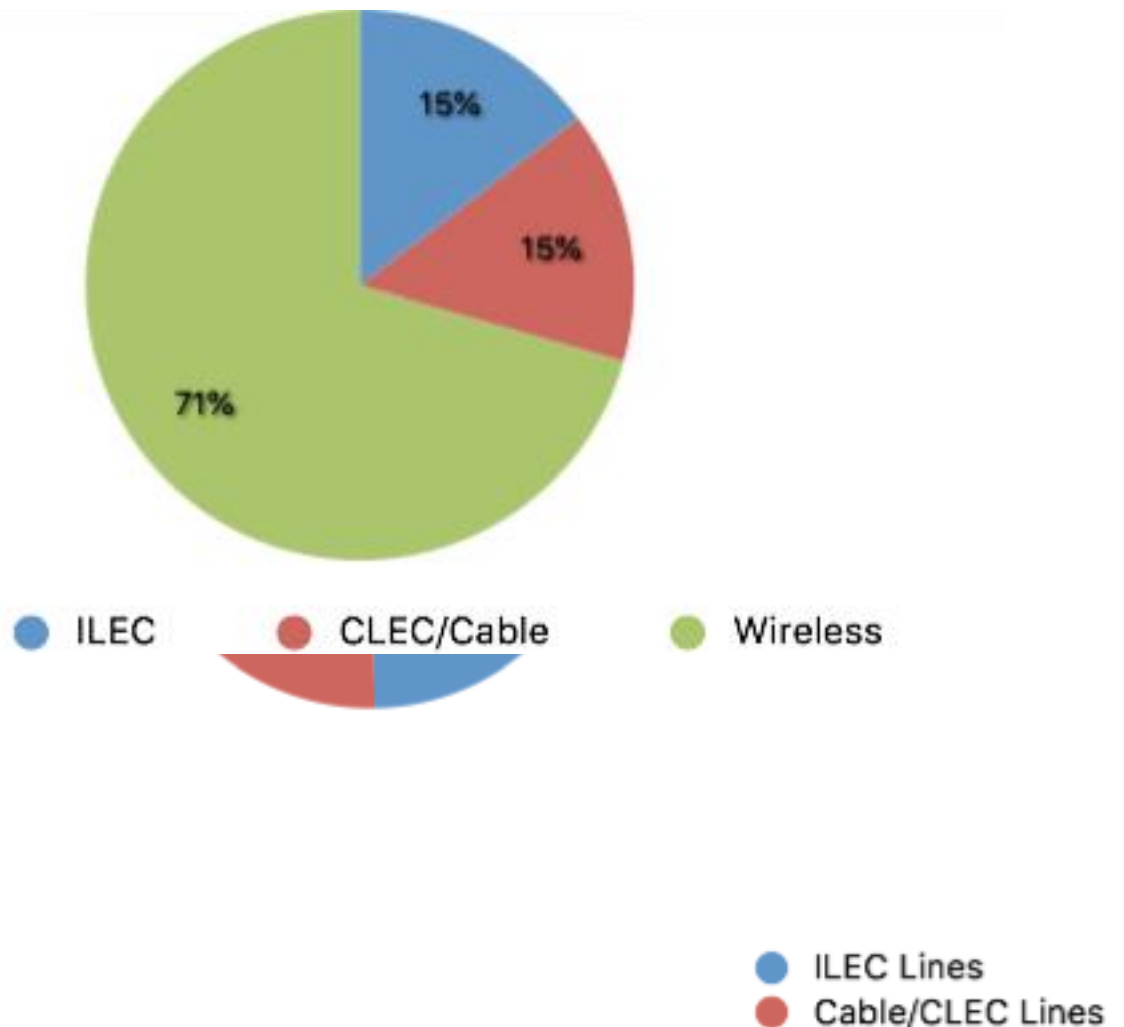
When I first started talking about Broadband or high speed Internet service, there were no smartphones, no iPads, no tablets, no Facebook or Twitter. Comcast cable telephony was in its infancy. Voice over IP services like Skype, Vonage and Magic Jack were barely heard of. And not many people would have imagined giving up their landline in favor of just using a cell phone.

It is amazing how much things have changed. Today it is difficult to remember a time when we did not have all of those options at our fingertips. And statistics show that consumers continue to abandon landlines in favor of the wide array of sophisticated services, devices and networks they now have to choose from.

In 2000, Pennsylvania's Incumbent Local Exchange Carriers (ILECs) served about 8.5 million landlines and your constituents had very few other options for service. Yet by the end of June, 2017, the ILECs served just 2.7 million lines:

As of the end of 2018, 57.1% of households in the United States were wireless-only, eliminating landline voice service entirely. And an additional 15% considered their cell phone to be their primary line. That means over 72% of households now rely solely or primarily on mobile phones. By contrast, only 5.3% of households are landline-only, a portion that continues to shrink.

Even those customers who continue to use landlines have plenty of choices besides Verizon. The FCC reports that as of June, 2017, in Pennsylvania, VoIP and Cable Telephony and Competitive Local Exchange Providers (CLECs) served over 2.7 Million lines! And when we consider all the wireless lines in the mix, the picture for the incumbent telephone companies, the ILECs, is even more dramatic. All of Pennsylvania's incumbent telephone companies (ILECs) taken together now serve only *15% of our state's lines.*



Now I would like to relate all of this to Verizon's investment in our Commonwealth. Verizon has invested Billions of our its dollars in wireline and wireless networks in this Commonwealth, bringing broadband technology to all urban, suburban and rural communities and providing residents and businesses in those communities with high-speed Internet service. The modern broadband infrastructure we created supports the data-driven economy that raises productivity and creates jobs. And we did that without one dime of government money.

We at Verizon completed 100% Broadband deployment of our Pennsylvania territory, as defined in state law, in the fall of 2015, making high speed Internet access available to all of our landline customers in Pennsylvania, including Indiana County. To accomplish that, we deployed a modern array of services that includes DSL and 4G LTE fixed wireless, and for a very small percentage of our customers, satellite Internet service, which we only use for that *rare customer* who is too far from an LTE cell tower or a copper line to carry a high speed Internet signal.

To accomplish this feat, we invested Billions of dollars of our own capital and deployed over 6000 miles of fiber-optic cable, made our interoffice facilities 100% fiber-optic and deployed fiber to connect our Central Switching Offices to over 2,500 Remote Terminals that bring High-Speed Internet technology to rural communities. Verizon

fiber-optic lines also provide the back-haul to bring 4G LTE wireless high-speed Internet service to Pennsylvania. We deployed approximately 200 4G LTE cell towers in rural Pennsylvania, and of course many others throughout the state.

Today, any Verizon landline customer can call 1.800.VERIZON or go online and order Internet service for his or her specific location. And I am so confident of that fact that I make this personal and professional commitment to you: If you or your district office staff encounter a constituent who complains that he or she cannot get Internet service from Verizon, please email me that person's name, address and phone number and I will check into it personally for you.

I'd like to conclude my remarks by stating that Pennsylvania Senate Leadership, along with your colleagues in the House, made ours the only state that has a government-mandated broadband deployment obligation, an obligation that has benefitted all Pennsylvanians! And Verizon stands ready to work with this Legislature and this Administration to improve upon what is already the best rural deployment in the United States of America.