

Pennsylvania Telephone Association

"The Communications
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HOUSE CONSUMER AFFAIRS COMMITTEE

PUBLIC HEARING ON AMENDMENTS TO THE SCRAP MATERIAL THEFT PREVENTION ACT

AUGUST 15, 2013

TESTIMONY OF

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Good Morning Chairman Godshall, Chairman Daley, and members of the House Consumer Affairs Committee.

We appreciate this committee's proactive stance in addressing what continues to be a grave public safety issue and a significant problem for telecommunications companies and their customers.

Since I am here representing Pennsylvania rural local exchange carriers (RLECs), my testimony will refer to the problem as copper theft, as that is what my member companies have deployed, and are maintaining and/or replacing when thieves strike.

Unfortunately, there is no "silver bullet" when it comes to deterring this type of crime, but the Scrap Material Theft Prevention Act passed in 2008 was a good first step.

While Act 113 focused primarily on the scrap processors and recycling facility operators, subsequent initiatives have targeted increased penalties for those individuals who show up at the processors' front door and supplementing the original act.

These efforts have surfaced all across the nation, and one need look no further than any of the national, legislative websites to ascertain activity related to copper theft. The reasons that this problem won't simply go away are many and varied:

- Copper prices have gone up, and continue to stay up.
- Thieves have relatively easy access to copper facilities, especially in rural areas.
- Thieves continue to find buyers for their stolen goods. Copper has been especially easy to salvage and difficult to trace.

The “why” of copper theft can be explained by these aforementioned reasons, but the “what happens” when copper is stolen is the critical point that my members are most concerned about.

What happens when copper cable in use is stolen is interrupted service to residents, businesses and the consequent inability to access 911 in emergency situations. Not only are the thieves putting themselves in immediate danger by stripping active copper cable from utility poles, the resulting loss of service for anyone needing access to emergency services is a situation that we just cannot let happen.

Rural phone companies across the nation are taking steps to protect their customers and the substantial investment in their networks by increasing security around their facilities, laser etching cables so they can be traced when stolen, coating cables with a special liquid that leaves a stain detectable under ultraviolet light and even using copper clad steel wiring in grounding applications which is more difficult to cut and has less scrap value. All of these “solutions” are expensive and do not ultimately solve the ongoing theft problem.

A recent encounter with copper thieves was recounted by one of my smaller member companies like this:

“We had someone hit our cable yard about three years ago and stole about \$104,000 worth of copper cable. Since then we have purchased a large building in our town that houses all of our construction vehicles and equipment, including all copper cable we have in stock. One winter night since then someone tried to get in all the doors of that facility, but had no luck. There was fresh snow that evening, so we could tell everywhere they went. We also find many ground wires cut off that go up poles in our plant facilities as well as those of electric companies in our area. Usually if they cut off one they go right down the road and take them all. We would certainly favor legislation that would make it harder for them to sell this stolen property, and penalize them for trying.”

Despite the transition to fiber optic cable that Pennsylvania's RLECs and other telecom providers are involved in, it is important to note that copper cable still plays an important role in delivering reliable service to Pennsylvanians and that traditional network is still capable of completing Internet Protocol and wireless calls in addition to traditional voice messages. Furthermore, a recent article in the trade press announced a new technology being developed which has demonstrated fiber-like data speeds over copper wiring.

PTA Member Companies are responsible for deploying and maintaining that copper network and have been at it for decades and, in some cases, more than a century. My members have copper plant deployed throughout rural Pennsylvania, valued in the hundreds of millions of dollars.

In conclusion, the health of Pennsylvania's traditional network infrastructure is vitally important to the public safety of our citizens, your constituents, and our customers. The PTA looks forward to working with you Chairman Godshall, Chairman Daley and members of the committee as we find a way to address the continuing problem of copper theft and the larger problem of scrap material theft in the Commonwealth.