



## Public Service Commission

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### **PSC Seeks Comment on Telecommunications Assessment — Review of Industry and Oversight Amidst Technological and Marketplace Changes; Public Hearings Scheduled Across State —**

**ALBANY** — The New York State Public Service Commission (Commission) today issued for public comment a New York Department of Public Service assessment on the state of telecommunications in New York. The Commission also announced that over the next several months it will be conducting six forums across the State to encourage broad public participation as it charts a future course for telecommunication policy and regulatory oversight.

“With the continuing evolution of the communications technology market and changing consumer demands, oversight of the telecommunications industry to promote core public interests remains paramount,” said Commission Chair Audrey Zibelman. “The Internet and broadband have emerged as a powerful technology, and as a result, existing rules governing the mechanisms, business models and regulatory construct for overseeing voice, cable and broadband communications, some of which were put in place decades ago, need to be examined to ensure that they are adequate to meet today’s consumer needs.”

According to the assessment, the rapid evolution of technology spurred by the development of the Internet and broadband is profoundly changing the fundamental concept of communication services in New York State. As a result, the Commission is reviewing the state of the industry, as well as its oversight role, to ensure consumers are being well-served, have sufficient protections, and that its practices are aligned with statewide public policy goals.

The very essence of a world-class communications infrastructure in this State depends upon the strength of its evolving broadband networks. According to staff’s robust assessment of the telecommunications industry, the landscape continues its rapid transition to new more powerful and diverse technologies.

It has been almost 10 years since the Commission’s last major telecommunications proceeding. In that time, the technological evolution in the communications industry has picked up pace. In fact, it appears that consumer interests have evolved dramatically with the growth of wireless smart phones, Voice over Internet Protocol (VoIP) technology and broadband services.

The telecommunications world has changed greatly in New York over a relatively short period of time, changes that are sweeping and historic. A little more than a decade ago:

- New York had 12 million traditional landline connections in services. Today, less than 4 million lines.

- New York had more than 5 million wireless telephones in service. Today, nearly 21 million wireless phones in service — five times more than traditional landlines.
- New York had fewer than a million New Yorkers subscribed to telephone service over a cable lines. Today, nearly 5 million customers subscribe to Internet protocol (IP) phone service instead of traditional phone service.
- New York had less than 2 million broadband connections serving New York consumers, primarily over telephone and cable systems. Today, some 19 million broadband connections are in service, provided to consumers over a wide range of technology platforms and network providers.

In response to growing competition in voice services, the Commission and the Legislature previously opted to streamline the regulatory process to allow greater flexibility and reduce regulatory burdens to ensure traditional carriers remain competitive. Indeed, regulatory bodies across the country, including in New York, have historically supported competitive markets as an effective approach to ensuring core regulatory interests and consumers evolving needs are met. Where competition does not ensure those core interests, however, the Commission continues to act and evolve its regulatory approach.

This latest review considers voice, video and broadband market segments recognizing that these offerings have converged. The study considers technologies used, availability and trends, consumption adoption patterns and regulatory interests associated with each segment.

The regulatory interests include, among other things, the maintenance of public safety communications, including the provision of advanced next generation E911 to all New Yorkers, reliable, resilient and open network architecture, affordable rates, service quality standards, universal service and consumer protections. It must also consider new priorities that include the promotion and availability of world-class advanced voice, video, and broadband telecommunications services to all New Yorkers regardless of their location or economic status.

To facilitate a public dialogue, the Commission is seeking comment on staff's fact-based assessment of industry trends in voice, video and broadband and the current telecommunications landscape in New York State, including the different telecommunications technologies, such as copper, fiber, hybrid cable system and wireless networks. Comments are also invited on a series of questions to develop telecommunication policy.

Public involvement, including that of state and local public officials, consumer groups, the telecommunications industry, labor and economic development organizations, and other interested stakeholders is essential to the establishment of a record upon which the Commission and the stakeholders can chart a path into the future of telecommunications for New York State. To encourage public participation, a series of public statement hearings to solicit views and opinions regarding the assessment report will be held across New York: Smithtown (July 8), New York City (July 15), Utica (July 28), Binghamton (July 29), Lake Placid (August 4), and Buffalo (August 5).

Today's notice and staff assessment (Case Number 14-C-0370) may be obtained at [www.dps.ny.gov](http://www.dps.ny.gov). Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call 1-800-342-3377 for free language assistance services regarding this press release.