

STATE OF NEW YORK

# Public Service Commission

Garry A. Brown, Chairman

Three Empire State Plaza, Albany, NY 12223

Further Details: James Denn (518) 474-7080

<http://www.dps.state.ny.us>

FOR RELEASE: IMMEDIATELY

09013/08-C-0405;03-C-0971

## VERIZON'S SERVICE QUALITY MEETS STANDARDS

— Commission Concludes Review of Seven Downstate Repair Service Bureaus —

Albany, NY—2/12/09—The New York State Public Service Commission (Commission) today received a report from Staff of the Department of Public Service (Staff) indicating Verizon New York Inc.'s service quality performance, as measured under the Commission's service standards, generally met most of the thresholds for performance for the fourth quarter of 2008.

“Overall, Verizon met the Commission's performance threshold for service quality nearly 95 percent of the time,” said Commission Chairman Garry Brown. “While this performance is down from the fourth quarter 2007 performance, we anticipate Verizon's plans to address timeliness of repairs in the upstate regions will return service to levels that meet our expectations.”

Under the Commission's standards, 80 percent of lines that are out-of-service are expected to be repaired within 24 hours. The Commission's telephone service standards require all local exchange carriers to report customer trouble report rates.

Since Verizon serves more than 500,000 access lines, it must also report on eight other metrics of the telephone service standards, addressing such issues as the timeliness of repairs and installations, responsiveness of customer call centers, and network call completion performance.

Detailed results by metric and entity are measured as required by the service standards and tracked by Staff. The service standards contain four groups of metrics measuring

maintenance, installation, network, and answer time performance, and other regulatory requirements related to service quality.

Verizon's service quality performance is measured under two Customer Trouble Report Rate (CTRR) metrics; one metric measured Verizon's group performance for all of its 539 central offices, in which 85 percent are expected to meet a threshold of 3.3 or less trouble reports per hundred access lines per month. This statewide metric was barely missed in October (84.0 percent) and December (84.8 percent) this quarter.

The other metric addresses individual central offices, in which each central office was expected to meet a threshold of 5.5 or less trouble reports per hundred access lines per month. On an overall basis, the company met the CTRR target 98 percent of the time in the fourth quarter. Central offices that have a problem meeting this metric are typically smaller than average and primarily service more rural areas. Only one central office (Greenwich, Washington County) had to file a Service Inquiry Report in December for consistently exceeding the individual central office threshold level per month.

Turning to performance regarding timeliness of repairs, Verizon met the established monthly thresholds during this quarter in its twenty-eight repair service bureaus 77 percent of the time, improved from its performance last quarter (58 percent) but lower than the fourth quarter performance 2007 (94 percent).

Timeliness of repair performance was down in December compared to the long-term trend due in part to adverse weather impacts, specially the December 11-12 ice storm that impacted eastern New York. The company continues to perform target plant replacements, utilize overtime, and borrow force from other areas and functions in an attempt to maintain performance in this category.

Staff in its report to the Commission noted that it has met with Verizon to discuss the company's efforts to address its timeliness of repairs. In response, the company developed a plan

for improvement in 10 of its upstate bureaus. Staff will continue to review the company's efforts to meet Commission targets.

In a related matter, the Commission today decided to close its review of seven targeted repair service bureaus. In December 2006, the Commission directed Verizon to focus on seven repair service bureaus — South Nassau, South Westchester, South Queens, North Queens, North Nassau, East Suffolk, and North Westchester — that had chronic poor out-of-service greater than 24 hours performance during the preceding two years.

In response to the Commission's December 2006 Order, Verizon filed a Service Improvement Plan in February 2007, to address the Commission's service quality concerns. The Commission accepted the company's two-year plan in March 2008. Verizon has significantly exceeded the service quality targets established for the seven targeted repair bureaus for both years of its Service Improvement Plan.

Staff reported to the Commission that there has been a drastic improvement in repair times for the seven bureaus measured individually and as a group. Based upon the forgoing, the Commission accepted Staff's recommendation that this aspect of the Commission's proceeding, which focused on the out-of-service performance for Verizon's seven targeted service bureaus, be closed.

Staff continues to meet with Verizon monthly to review the company's service quality performance in general (statewide) and has specifically focused on the performance of several upstate repair service bureaus. Staff will continue to review company's efforts to meet Commission targets.

Verizon serves approximately 6.2 million access lines from 539 central offices. It is the largest incumbent local exchange carrier in New York State serving about 75 percent of the traditional access lines in the state.

Staff's report concerning the quality of telephone service provided by Verizon during the fourth quarter of 2008, and its decision to conclude an aspect of its proceeding concerning the company's Service Improvement Plan, when available, may be obtained from the Commission's Web site at [www.dps.state.ny.us](http://www.dps.state.ny.us) by accessing the Commission's Documents section of the homepage and referencing Cases 08-C-0405 and 03-C-0971, respectively. Many libraries offer free Internet access. Staff's report may also be obtained from the Commission's Files Office, 14<sup>th</sup> floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).