

STATE OF NEW YORK

Public Service Commission

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PSC ALLOWS USE OF ALTERNATIVE VERIZON SERVICE

— Verizon To Offer Wireless On Fire Island While Permanent Solution to Rebuild System after Superstorm Sandy Remains Under Consideration —

Albany, NY—05/16/13—The New York State Public Service Commission (Commission) today, as an interim measure, authorized Verizon New York, Inc. to offer wireless Voice Link service, as an alternative to basic landline service, to certain customers on Fire Island where the copper wire facilities were destroyed by Superstorm Sandy.

The Commission conditioned its temporary approval of the service, limited to western Fire Island, pending public comment and a further review of documentation submitted by Verizon justifying its decision not to repair the damaged facilities. Under the tariff provisions approved by the Commission, Verizon is required to offer the Voice Link service according to Commission rules and regulations for basic telephone service and would need to seek further approval to offer the service in other areas.

“The decision today is a novel, interim approach to an unusual set of circumstances resulting from Superstorm Sandy, urged on by the need to have telephone service in place by the summer,” said Commission Chairman Garry Brown. “The Commission will exercise its regulatory authority over this service to ensure consumers on Fire Island are protected with requirements relating to customer protection, customer complaints, service quality, safety and reliability, and we will continue to explore what are the best options for permanent repair.”

Fire Island, located on a barrier island about five miles off the southern shore of Long Island, was heavily affected by Superstorm Sandy in October 2012. Prior to Superstorm Sandy, Verizon provided voice service to about 3,800 access lines on Fire Island, approximately 1,100 lines on the eastern portion of the island, and about 2,700 lines on the western portion where a large percentage of its copper facilities were damaged beyond repair. In addition, five of the six feeder cables that run between Fire Island and the mainland were badly damaged by Superstorm Sandy.

Verizon continues to provide service in the eastern portion of the island through use of existing landline facilities, and in some parts of the western portion where existing copper pairs are still functional. However, in the remaining western portion of the island, Verizon reported that a large percentage of its copper facilities were damaged beyond repair and it proposed to offer Voice Link service as an alternative.

With Voice Link service, a small transmitter/receiver is installed at the customer's premises which is plugged into a normal electrical outlet and then into any telephone jack. Customers are able to use their existing telephone sets by plugging into the jack, but the technology is limited to voice service.

The Commission also directed Verizon to file a copy of its proposed terms and service for Voice Link, which must be consistent with Commission rules and regulations for basic telephone service, for review.

The Commission's action today is not its final decision on this issue. As part of the ongoing proceeding, the Commission said it will seek comments from interested parties on Verizon's technology and service plan as it works to determine a permanent solution. The Commission also directed Verizon to provide it with a comprehensive report evaluating the quality and reliability of Voice Link to Fire Island customers by November 1, 2013.

The Commission's decision today, when issued, may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 13-C-0197 in the input box labeled "Search for Case/Matter Number." Many libraries offer free

Internet access. Commission orders 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 us at 1-800-342-3377 for free language assistance services regarding this press release.