

STATE OF NEW YORK

Public Service Commission

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VERIZON'S SERVICE QUALITY MEETS STANDARDS — Co. Maintains Overall Performance, Need for Improvement Identified —

Albany, NY—05/14/09—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 during the first quarter of 2009.

“I am pleased Verizon generally continues to meet our telephone performance standards,” said Commission Chairman Garry Brown. “I am also aware that Verizon, like all phone companies, must continually balance competing interests, in this case, the ability to reduce expenses, while at the same time getting customers' lines repaired quickly. While we've allowed Verizon flexibility to address its service performance, it is ultimately their responsibility to service their customers well or risk losing them.”

Under the Commission's telephone service standards, local exchange carriers are required to report customer trouble report rates (CTRR). Because Verizon serves more than 500,000 access lines, it must also report on eight other metrics of the telephone service standards, including 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.

Overall, Verizon met Commission-established thresholds of performance 96.2 percent of the time during this quarter on those metrics it is required to report. This performance is essentially the same as the first quarter 2008 performance of 96.3 percent. Additionally, the company's 539 central offices met or exceeded the monthly CTRR performance thresholds and no central offices were required to file service inquiry reports (SIRs) for consistently exceeding the individual central office threshold level of 5.5 trouble reports per hundred access lines per month.

Turning to performance regarding timeliness of repairs, while Verizon met the established monthly thresholds during this quarter in its twenty-eight Repair Service Bureaus (RSBs) about 79 percent of the time (slightly lower than the first quarter performance of 82 percent for 2008), Staff remains concerned about this trend. The company continues to perform target plant replacements, utilize overtime, and borrow force from other areas and functions in an attempt to improve performance in this category. Last fall, the company developed a plan to improve repair performance in 10 of its upstate RSBs. Staff will continue to review the company's plans and performance in this regard.

Verizon serves approximately 6.1 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 first quarter of 2009, when available, may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.state.ny.us and entering Case Number 09-C-0361 in the input box labeled "Search for Case/Matter Number." Many libraries offer free Internet access. Staff's report may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).