

STATE OF NEW YORK

Public Service Commission

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PSC Announces Commencement of Service Quality and Consumer Protection Proceedings in Furtherance of Competitive Telecommunications Markets Services

Albany, NY—4/21/06—The New York State Public Service Commission (Commission) today announced several processes to address the ever evolving market in the telecommunications industry. These processes include a proceeding to consider service quality requirements and consumer protection issues for incumbent telephone companies and Department of Public Service staff initiatives to seek input regarding emergency outage reporting, user blocking capabilities and the development of a Consumer Report addressing all telecommunications providers. These efforts represent the natural progression in the Commission's broad examination of telecommunications policies, practices and rules in New York State in light of rapidly changing technologies and competitive market advances.

"The Commission's Statement of Policy and Order adopted earlier this month determined that additional time was needed to re-examine service quality and consumer regulations for incumbent telephone companies and matters relative to safety and reliability of the network for the benefit of all the state's consumers," said Commission Chairman William M. Flynn. "I highly encourage all interested parties to actively participate in this important effort with Department of Public Service staff. The more input we receive, the better the results will be for our consumer."

The Commission in its April 2006 Statement of Policy and Order concluded that it is appropriate to begin a general review of service quality standards with a view toward

simplifying and streamlining regulations in a rulemaking to develop standards for incumbent telephone providers in competitive markets. Also, various consumer protection aspects of the regulations will be re-examined.

Recognizing the need for customers to have adequate information on the offerings of all telecommunications providers, the Commission directed staff to design a voluntary process that would publicly identify the protections each competitive provider offers. This will be accomplished by developing a Consumer Report that will be beneficial to all consumers. Cooperation from all service providers will be vital in order for the effort to be successful.

The Commission in its April 2006 Statement of Policy and Order also declared that the safety and welfare of all New Yorkers is paramount. Staff will be requesting that all telecommunications providers in New York State provide information regarding whether they currently offer end user blocking capability. Staff will also seek input on a proposal to require chatline services to be offered on 900 numbers only. With regard to outage reporting, staff has notified the relevant parties that they will meet with them to discuss what steps may be undertaken to make emergency outage reporting consistent with all telecommunications providers.

The April 2006 Statement of Policy and Order is result of the Commission's years-long comprehensive examination of issues related to competition resulting from the rapid development of voice and other telecommunications services now being provided over new networks that are now competing with traditional wireline network platform. The Commission's April 2006 Statement of Policy and Order (Case 05-C0615) can be obtained from the Commission's <http://www.dps.state.ny.us> Web site.