

STATE OF NEW YORK

Public Service Commission

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PSC To Examine Telephone Network Reliability

- Proceeding Will Explore Opportunities to Enhance Infrastructure -

Albany, NY – 5/21/03 – Recognizing the importance of New York’s telecommunications infrastructure to both the state and national economies, the New York State Public Service Commission (PSC) today announced that it would begin a proceeding to examine the reliability of the state’s telecommunications network. The Commission will solicit the views of telecommunications carriers, users and other stakeholders on necessary steps to ensure the continuing reliability of the state’s telephone network in an increasingly multi-carrier environment.

“New York is frequently referred to as the telecommunications capital of the world, and our state is considered to be a leader in developing pro-competitive telecommunication policies,” said PSC Chairman William M. Flynn. “While these two distinctions are certainly positive, they also carry with them a responsibility. Our network is healthy and strong but, given its importance to so many sectors of our economy, we have a responsibility to stay ahead of the curve and to make sure we are doing all that we can to ensure and enhance the reliability of the modern, multi-carrier network.”

The terrorist attacks of September 11, 2001 redefined a “telecommunications disaster” and served to highlight the importance of New York’s telecommunications infrastructure to the national and state economies. Following the completion of the majority of post-September 11 restoration efforts, staff of the Department of Public Service (DPS) began its own analysis of the local exchange network to determine what

steps might be taken to improve the overall reliability of the network. For the purposes of staff's review, the term "network reliability" refers to the day-to-day dependability of the network, its ability to continue to operate during a natural or man-made event that affects some portion of the network, and the degree of redundancy -- or diversity -- built into the network.

As part of its review, DPS staff conducted interviews with carriers and large users, reviewed literature on network reliability, and met with other government agencies and interested parties. At today's meeting of the Public Service Commission, staff presented findings and some tentative conclusions that will serve as an initial framework for discussion in the network reliability proceeding. Listed below are some of the key findings and tentative conclusions.

- The Commission should consider requiring local exchange carriers to routinely demonstrate compliance with industry "best practices" regarding the reliability of specific network elements as published by the Federal Communications Commission's (FCC) Network Reliability and Interoperability Councils (NRIC). In certain instances, the PSC may wish to consider steps that actually exceed the NRIC recommendations.
- Economic considerations have led to a concentration of traffic, circuits, and key physical facilities. While such concentrations may reduce costs, they also may increase the vulnerability of the network. Staff tentatively concludes that a move toward more distributed networks may improve reliability.
- It is critical that interoffice route diversity exists for voice and network signaling traffic for most, if not all, end offices. The Commission could require local exchange carriers to provide route diversity for each end office where reasonable.
- Certain facilities may be so critical from the customer's perspective that they require a higher degree of reliability than would normally be provided by the network or customer-specific arrangements. Carriers and consumers need to cooperate and routinely revisit critical communications arrangements to ensure that the appropriate levels of redundancy and diversity are not jeopardized by subsequent network changes. Information on the physical path taken by key circuits will likely be required to meet these needs.
- Staff will provide information on the National Communications Service's Telecommunications Service Priority (TSP) program. The TSP program prioritizes telecommunications services that support national security or

emergency preparedness. Staff recommends entities review the potential benefits of participating in the program as a way to aid in the restoration of specific, critical services.

- Staff tentatively concludes that municipalities may want to consider agreements similar to New York City's Mutual Aid Restoration Consortium (MARC), and that customers may want to take proactive steps to periodically monitor the diversity of their own telecommunications equipment.

The Commission will soon issue a notice to initiate the network reliability proceeding. The notice will outline the parameters of the proceeding, the issues to be addressed, and contain information on how interested parties can participate. The result of this proceeding should be a better understanding of those aspects of a modern, multi-carrier telephone network that make it most reliable and that best serve all customers.

When available, a copy of the notice initiating this proceeding can be obtained from the Department of Public Service's website at <http://www.dps.state.ny.us> by accessing the "Commission Documents" section of the homepage. Many libraries offer free Internet access. A copy can also be obtained from the Commission's Files Office, 14th floor, 3 Empire State Plaza, Albany, NY (518-474-2500).