

STATE OF NEW YORK  
DEPARTMENT OF PUBLIC SERVICE

CASE 06-C-0481 - Proceeding on Motion of the Commission  
Providing for the Examination of Service  
Quality and Consumer Protection Regulations,  
Including Parts 602, 603 and 609.

NOTICE CONCERNING SERVICE QUALITY  
AND CONSUMER PROTECTION REGULATIONS

(Issued April 21, 2006)

In the Competition III Statement of Policy and Order<sup>1</sup> the Commission discussed the appropriate service quality and consumer protection regulations, including parts 602, 603 and 609 for a competitive environment and decided to re-examine its regulations. This Notice begins that process.

BACKGROUND

The Competition III Statement of Policy and Order observes that technology is changing the nature of telecommunications services and accelerating the rate and level of competition in a historically monopolistic industry. The Statement of Policy and Order concludes that the vast majority of New Yorkers can choose among traditional wireline service and at least two alternatives to the incumbents' wireline networks.

The Commission noted that while the importance of many service quality indicators diminishes with the availability of

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<sup>1</sup> Case 05-C-0616, Examination of Issues Related to the Transition to Intermodal Competition in the Provision of Telecommunications Services, Statement of Policy on Further Steps Toward Competition in the Intermodal Telecommunications Market and Order Allowing Rate Filings (Issued April 11, 2006) (Competition III Statement of Policy and Order).

choice, some metrics will remain critical indicators of network reliability.<sup>2</sup> Thus, it concluded that

...we believe that if competition is sufficiently vigorous, certain service quality requirements may be relaxed, or, in some cases, eliminated. The question becomes one of determining the appropriate level of carrier service quality reporting and oversight given a rapidly developing intermodal competitive market.<sup>3</sup>

The Commission 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 that will develop standards.

The Commission considered as well various consumer protection aspects of its regulations. In evaluating the partial payment requirements in 16 NYCRR §606.5, for example, it stated its belief that the requirement could be eliminated and replaced with a requirement that any partial payments submitted by a customer without instructions be allocated so as to provide basic service for that customer.<sup>4</sup> It also considered various other aspects of its regulations, as more fully explained in the Statement of Policy and Order.<sup>5</sup>

#### RULEMAKING PROCESS

We have already begun the work effort required by the Statement of Policy and Order, and we seek to augment that undertaking with the views of all concerned.

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<sup>2</sup> Competition III Statement of Policy and Order, pp. 89-90.

<sup>3</sup> Id., p. 91 (footnote omitted).

<sup>4</sup> Id., p. 105.

<sup>5</sup> Id., p. 97 et seq.

Accordingly, we propose a consultative process to discuss these issues. Staff will be available beginning at 10:30 AM on Tuesday, May 23 at the Commission's Albany Offices, 19<sup>th</sup> floor Boardroom, to discuss these issues. While we are aware of the parties' divergent views on many of these issues, we seek to move forward consistent with the direction given by the Commission in its Policy Statement and Order. We intend eventually to provide proposed revisions to Parts 602, 603 and 609 of our regulations. Using existing comments and those to be provided at the consultative meetings, we hope to provide a working redline draft of the proposed regulations to the parties by the end of July 2006. Written comments on the redline draft will then be solicited.

(SIGNED)

JACLYN A. BRILLING  
Secretary