## STATE OF NEW YORK PUBLIC SERVICE COMMISSION

CASE 13-C-0197 – Tariff filing by Verizon New York, Inc. to introduce language under which Verizon could discontinue its current wireline service offerings in a specified area and instead offer a wireless service as its sole service offering in the area.

## REPLY OF NEW YORK ATTORNEY GENERAL ERIC T. SCHNEIDERMAN TO VERIZON'S RESPONSE TO THE ATTORNEY GENERAL'S EMERGENCY PETITION

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July 2, 2013

On June 26, 2013, the Office of the Attorney General ("OAG") filed an emergency petition ("Petition")<sup>1</sup> with the Public Service Commission ("PSC" or "Commission") asserting that Verizon is providing its wireless Voice Link service in areas other than western Fire Island in violation of the Commission's May 16, 2013 Order.<sup>2</sup> Verizon's Response asserts that the company has done nothing wrong because its approved tariff permits Verizon to offer Voice Link as an optional service in areas outside Fire Island.<sup>3</sup> While it is true that Verizon's tariff permits "offer[ing] such an alternative service as an optional service" outside Fire Island,<sup>4</sup> the company's practices show that Verizon is not, in fact, offering Voice Link as an "option."

The dictionary definition of **option** is "an act of choosing" or the "the power or right to choose," and **optional** is defined as "involving an option -- not compulsory."<sup>5</sup> Therefore, under the terms of its tariff, the company must offer customers a choice between having their landline service repaired and accepting Voice Link as a substitute. For such choice to have any meaning, customers need to be told they have a right to choose to retain their landline service. And for customers to make an informed choice, they must be provided with an honest and plain language explanation of Voice

<sup>&</sup>lt;sup>1</sup> See EMERGENCY PETITION OF NEW YORK ATTORNEY GENERAL ERIC T. SCHNEIDERMAN FOR AN ORDER PREVENTING VERIZON FROM ILLEGALLY INSTALLING VOICE LINK SERVICE IN VIOLATION OF ITS TARIFF AND THE COMMISSION'S MAY 16, 2013 ORDER, filed June 26, 2013.

<sup>&</sup>lt;sup>2</sup> See Case 13-C-0197, ORDER CONDITIONALLY APPROVING TARIFF AMENDMENTS IN PART, REVISING IN PART, AND DIRECTING FURTHER COMMENTS, issued May 16, 2013.

<sup>&</sup>lt;sup>3</sup> See RESPONSE OF VERIZON NEW YORK INC. TO THE ATTORNEY GENERAL'S "EMERGENCY PETITION," FILED June 27, 2013.

<sup>&</sup>lt;sup>4</sup> Verizon New York Inc. tariff PSC NY No. 1, Section , 1<sup>st</sup> revised page 60.1, ¶ C.4.

<sup>&</sup>lt;sup>5</sup> <u>http://www.merriam-webster.com/dictionary/option;</u>

Link's features, including all of the ways it is different from the landline service they are familiar with (including the various advantages and disadvantages of either service).

Based on information received from multiple consumers, Verizon is clearly not offering them such a choice. For example:<sup>6</sup>

• A year-round Greenfield Park resident was told by Verizon's call center staff that installing Voice Link was "a quicker solution" than repairing his landline because repair crews are backed up with requests, even though a technician would have to be dispatched to his home either way (because of poor cell signal at his home, the consumer insisted on having his landline repaired so that he could maintain his home burglar alarm system for the security of his family);

• A Monticello seasonal resident who told the repair call representative that Voice Link was not acceptable because his house is tucked into the woods and gets poor cell service was nevertheless pressed again to accept Voice Link when his call was transferred to schedule a repair visit;

• A South Fallsburgh seasonal resident who called to have his phone service restored for the summer was told that Verizon must replace his landline with Voice Link because damage from Superstorm Sandy could not be repaired. Upon moving in and finding that his vacation home phone still had dial tone, the consumer refused Verizon's attempt to install Voice Link after being told by OAG that he could not use his fax machine without the landline.

It appears from the above incidents that Verizon is not merely offering Voice

Link as an alternative to landline service, permitting customers to freely choose between Voice Link and having their landline service repaired. Even when a customer makes a choice not to accept Voice Link, Verizon continues to press for the substitution at every point of contact. Verizon provides false information, such as asserting that storm damage from Sandy rendered the landline network in the Catskills beyond repair. Verizon also fails to provide consumers with a clear description of the telephone-related features, including fax machines, alarm systems, and medical alert services, that cannot be used

<sup>&</sup>lt;sup>6</sup> The consumers' identities are not provided to protect their privacy, but upon request, OAG will supply their contact information to the Commission.

with Voice Link. This is clearly not optional consumer choice, and it is incumbent on the Commission to take prompt action to protect consumers from such improper practices.

## **Request for Relief**

To determine if the foregoing anecdotes are an accurate depiction of Verizon's treatment of customers offered Voice Link, the Commission should audit Verizon's Voice Link activities outside western Fire Island, by:

1. examining all instructions to employees who respond to landline repair requests concerning offering of Voice Link;

2. examining contact records for all customers offered Voice Link for notes of how the service was explained, what questions customers asked, the responses given, and any reasons stated by customers for declining Voice Link offers; and

3. contacting a sample of customers offered Voice Link to determine if Verizon properly conveyed its Voice Link offer as an option, not a mandate, with an adequate explanation of the feature differences between Voice Link and landline service.

If the Commission's audit finds that Verizon has failed to give consumers a fair and honest choice of Voice Link or repair of the landline service, the Commission should require that Verizon present consumers with a PSC-approved explanation of Voice Link service, its differences from landline service<sup>7</sup> and the fact that customers have the right to choose to have landline service repaired if they do not want Voice Link. Verizon should be required to document that it properly supplied this explanation to customers when offering Voice Link over the telephone and by providing a written disclosure to the customer in person before Voice Link is installed by a technician.

<sup>&</sup>lt;sup>7</sup> See e.g., Verizon Voice Link Terms of Service, revised June 12, 2013. Because this nine-page document is filled with legalese that few consumers would be able to understand, the information needs to be presented in a clearer format.

If the Commission finds that Verizon is not giving customers a fair choice between repairing their landline service and accepting Voice Link service, it should enforce the May 16, 2013 Order and tariff by invoking sanctions pursuant to Public Service Law § 25.

July 2, 2013 Dated: . for Keith H. Gordon, AAG

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