

New York State Senate



New York State Assembly

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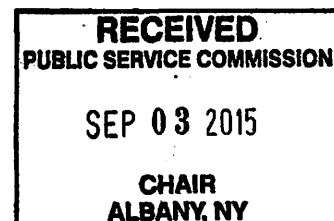
NEW YORK STATE LEGISLATURE

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August 26, 2015

Hon. Audrey Zibelman, Chair  
Public Service Commission of the State of New York  
Department of Public Service  
Three Empire State Plaza  
Albany, New York 12223-1350



Dear Chair Zibelman:

Last year many of us, as part of the Connect NY Coalition, signed a petition asking that the Public Service Commission (PSC) create a formal proceeding to consider the methods, technologies, policies and impacts on the public of New York's telecommunications system, with specific reference to Commission decisions regarding deregulation of service. We still have not gotten satisfactory answers to the issues raised in the petition and reiterate our request for a formal evidence-based proceeding.

In the meantime, we ask that you address a particular matter that has come to our attention this month. In an *ex parte* letter filed by Verizon for the Federal Communications Commission's (FCC) recent proceeding regarding the retirement of copper facilities, Verizon attempts to rebut labor and consumer group evidence that Verizon is *de facto* abandoning its traditional landline copper telephone network through lack of proper maintenance and repair. In its defense, Verizon wrote: "[S]ince 2008, Verizon has spent more than \$200 million on its copper network."

This shockingly small level of investment in the copper network confirms what we hear regularly from businesses and consumers: Verizon's traditional landline service is

unreliable, repairs are never permanent, deteriorated cable is not replaced, and new installations are delayed. In fact, the PSC has received numerous consumer complaints regarding outages, static on the line, and delays in installing and repairing telephone service.

Verizon's statement to the FCC amounts to an admission, on the record in a formal regulatory proceeding, that it has spent virtually nothing over the past seven years on its traditional copper network. Verizon's wireline service area from 2008 through today includes states on the East Coast from Massachusetts to Virginia, plus parts of California, Texas and Florida. Prior to 2010, Verizon's landline service also included 4.8 million lines in 14 other states. A total of \$200 million is a wholly inadequate investment to ensure proper maintenance and repair of such a vast network. In essence, the admission confirms what concerned advocates have been saying: that Verizon has been systematically misleading the Commission about its commitment to ensuring high quality service to customers who remain on the traditional landline network.

While we recognize that we are in a period of transition to new networks, Verizon – among other telephone corporations – has a statutory obligation to provide safe and reliable service throughout its local exchange footprint. There are an estimated four million customers in New York who subscribe to Verizon's copper network. Verizon is not building its all-fiber FiOS network throughout much of New York State. In New York City, Verizon did not fulfill the terms of the City's franchise, according to the NYC Department of Information Technology and Telecommunications (DoITT). To be clear, we urge Verizon to expand its FiOS deployment to unserved areas. But where Verizon has not deployed FiOS, Verizon has a legal obligation to provide quality service to customers served on its traditional copper landline network, and the PSC has the authority and responsibility to enforce that obligation.

We are deeply troubled by the PSC's elimination of most service quality monitoring and enforcement. Verizon's failure to invest in its copper infrastructure in non-FiOS areas, coupled with a 33 percent cut in the workforce over the past decade, explains why Verizon managed to clear only 1.2 percent of out-of-service phones within 24 hours by the last quarter of 2010, the last year in which the PSC required public reporting of this metric. PSC elimination of service quality monitoring and enforcement does not change the fundamental reality that Verizon is not meeting its obligations to provide good service to customers.

Again, we believe that the broad range of issues raised in the Connect NY petition across multiple service providers would best be addressed in the formal proceeding the Petition seeks. However, in the meantime, we ask you to respond to our particular concerns about

Verizon's FCC letter. Does the PSC share our concern that \$200 million would seem to be an inadequate level of investment?

We look forward to your response. If you would like to set up a meeting or phone call with us, please contact Anna Pycior of Assemblymember Kavanagh's office at 212-979-9696.

Thank you for your consideration of this matter.

Sincerely,

Assemblymember Barbara M. Clark  
Assemblymember Vivian E. Cook  
Assemblymember Jeffrey Dinowitz  
Assemblymember Aileen M. Gunther  
Assemblymember Kimberly Jean-Pierre  
Assemblymember Brian Kavanagh  
Assemblymember Joseph R. Lentol  
Assemblymember Barbara Lifton  
Assemblymember Donna A. Lupardo  
Assemblymember Walter T. Mosley  
Assemblymember Catherine Nolan  
Assemblymember Crystal Peoples-Stokes  
Assemblymember N. Nick Perry  
Assemblymember Linda B. Rosenthal  
Assemblymember Nily Rozic  
Assemblymember Sean Ryan  
Assemblymember Rebecca A. Seawright  
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Senator George S. Latimer  
Senator Kevin Parker  
Senator Bill Perkins  
Senator Gustavo Rivera  
Senator Daniel Squadron