NEW YORK STATE
RESIDENTIAL TELECOMMUNICATIONS
CONSUMER SURVEY

Prepared by the

New York State

Department of Public Service

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EXECUTIVE SUMMARY

To better understand New York's competitive telecommunications markets, and as a follow-up to the Comp III Proceeding,[1] Staff of the Department of Public Service (the Department) developed a formal statewide telecommunications survey of residential wire-line customers (the Residential Consumer Survey or the Survey).[2] The Residential Consumer Survey was designed, in part, to corroborate findings in the Comp III Order as it relates to the availability and adoption of intermodal telecommunications[3] services.

More than 1,500[4] residential consumers from a randomly selected sample of phone numbers were asked a series of questions regarding the services they subscribe to, and their awareness of alternative services, satisfaction with existing services, and switching motivators.[5] The survey findings provide valuable insight for the Department into consumers' views on competition, pricing, and overall satisfaction and should inform the Department on a variety of policy issues.

Among the highlights, the findings indicate that approximately 25% of the respondents obtain their telephone service from a provider other than an incumbent local exchange carrier (ILEC). A large majority of respondents are satisfied with their residential phone, Internet phone, cellular phone, high-speed Internet, cable, and satellite television services. Over 20% of the respondents indicated that they would consider disconnecting their home phone service to rely exclusively on cellular phones and over 40% of the respondents indicated that they would consider switching their home phone service to a service provided by a cable company. Finally,

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1 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 or Statement).

2 The Association for the Blind and Visually Impaired –ABVI- Goodwill Industries of Greater Rochester, Inc. (ABVI) validated the survey instrument and conducted the survey.

3 Intermodal telecommunications refers to cable, wireless, and Internet-based competitors to the existing public switched telephone network. Case 05-C-0616, Proceeding on Motion of the Commission to Examine Issues Related to the Transition to Intermodal Competition in the Provision of Telecommunications Services, Order Instituting Proceeding and Requesting Comments (issued June 29, 2005) (Competition III Order Initiating Proceeding), footnote 5, page 8.

4 753 respondents with upstate area codes and 756 respondents with downstate area codes completed surveys.

5 To the extent possible, cellular numbers were excluded from the sample of phone numbers. While including cellular customers may be more reflective of the current market, Staff determined that wireless customers have a greater expectation of privacy and could be unhappy to receive a call to respond to a lengthy survey. Interpretations of some aspects of the results have to be done in recognition of this gap in the survey results.

the survey results indicate that approximately 95% of the survey respondents have more than one intermodal option.

Comp III Findings

The survey results indicate that an estimated 95% of the respondents have the choice of two alternatives to traditional wire-line phone service.[6] This confirms the September 21, 2005 Staff Whitepaper entitled Telecommunications in New York: Competition and Consumer Protection[7] (White Paper) which concluded that "90% of New Yorkers have the choice of at least two intermodal alternatives to the incumbents' wire-line networks."[8] Further, the survey determined that approximately 25% of the respondents take service from competitive local exchange carriers (CLEC), voice-over-Internet protocol (VoIP) carriers and cable providers.

Current Customer Subscriptions

To better understand the types of services respondents are subscribing to, and how service subscriptions have changed, survey respondents were asked a number of questions about the services they subscribe to. The survey results indicate that 69% of the respondents subscribe to cellular phone service. 74% of the downstate respondents subscribe to cell service compared to 61% of the upstate respondents. We estimate that these numbers would be higher had the survey included customers that only subscribe to cellular service. The national penetration rate for cellular service is 71% based on 2005 data collected by the FCC.[9] In every age bracket, the majority of respondents subscribe to cellular service, with the exception of the "65 or older" age bracket. Further, the majority of respondents in every income bracket use cellular service, with the exception of respondents in the "less than $25,000" income bracket.

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6 The Report identified two methods for determining the availability of intermodal options which are described beginning on page 40.

7 Case 05-C-0616 - Proceeding On Motion of the Commission To Examine Issues Related to the Transition to Intermodal Competition in the Provision of Telecommunications Services, *Telecommunications in New York: Competition and Consumer Protection* (September 21, 2005) (White Paper).

8 Ibid. p. 4.

9 Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, WT Docket No. 06-17, Eleventh Report, 21 FCC Rcd 10947 (Sept. 29, 2006), Table 2, page 97.

Regarding Internet telephone service, 7% of respondents indicated that they subscribe to an Internet telephone service.[10] Respondents, who indicated that they have Internet phone service, include respondents who take service from the cable television service providers as well as Voice over Internet Protocol (VoIP) providers.[11] The highest subscription rate for Internet phone subscribers is in the "less than 35" age bracket and the higher income brackets.

54% of the respondents subscribe to a high-speed cable-modem or DSL Internet service.[12] In the "less than 35" age bracket, 70% of the respondents subscribe to a high-speed Internet service compared to 28% in the "65 or greater" age bracket.

68% of the respondents subscribe to cable television service. An additional 14% subscribe to satellite television service. On a statewide basis, therefore, 82% of the respondents subscribe to either cable or satellite television service. The majority of respondents in every age and income bracket subscribes to either cable or satellite television service.

Customer Satisfaction and Awareness

Survey respondents were asked questions about their satisfaction with their current services and providers, and were also asked questions about their understanding and awareness of the availability of less traditional services. The overwhelming majority of respondents were satisfied with their current services including residential phone, Internet phone, cellular phone, high-speed Internet, cable, and satellite television services. Although a significant amount of intermodal competition has recently taken place, there remains a substantial body of satisfied customers who might be much less likely to shop around for telephone service absent a significant change in price. It is interesting to observe that customers with less than two platform options available to them are not materially less satisfied with their residential phone service than customers who do have choice.

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[10] Respondents who indicated that they have Internet phone service take service from cable companies who use Internet protocols as well as VoIP providers. These service providers include: Cablevision, Vonage, Time Warner, Verizon, and Skype. 8% of downstate respondents have Internet phone service as compared to 3% of upstate respondents.

[11] As the survey indicates, a substantial subset of cable telephony subscribers is unaware that cable telephony service relies on Internet protocol (IP). Although 12% of the survey respondents indicated that they have cable phone, less than 7% of the survey respondents are aware that they are subscribing to Internet phone service.

[12] The survey did not differentiate between high-speed cable modem and DSL Internet service subscribers.

When asked “Does the cable television company in your area also offer telephone service?” 66% of the respondents indicated that they were aware of the cable company providing telephone service. In addition, when asked “How familiar are you with Internet phone service?” 37% of the respondents indicated that they are familiar with Internet phone service. These findings indicate that there is a significant opportunity for service providers and other stakeholders to increase awareness of the technological alternatives available in the telecommunications market today.

Customer Switching

Survey respondents were asked a number of questions about their switching history and their interest in switching services or service providers in the future. When asked about telephone switching history, 21% of the survey participants responded that they had switched telephone service in the past year and 38% had switched telephone service in the past five years. 63% of these respondents identified price as a primary reason for switching telephone service.

Generally, less than 20% of the respondents are planning to switch any service in the next few years. However, price was identified as a main factor that could motivate consumers to switch telephone service providers. Over three times as many respondents (73%) would consider switching their telephone service as a result of a change in price, than respondents that would consider switching for improved reliability (23%) which was the next highest reason identified as a motivator for switching.

Over 20% of the respondents indicated that they would consider disconnecting their home phone service to rely exclusively on cellular phones. Respondents identified reliability of the cell phone, static, bad service quality and reception, and bad sound clarity as reasons for not substituting cell service for wire-line service.

Significantly, over 40% of the respondents indicated that they would consider switching their home telephone service to a service provided by a cable company over the next couple of years. 31% of the respondents indicated that they are satisfied with their current service and/or service provider and they have no reason to switch. 14% prefer the reliability of a landline phone. 12% of the respondents do not have and do not want a cell phone. Finally 9% of the respondents indicated that they can not afford a cell phone.

BACKGROUND

On June 29, 2005 the Commission issued an Order Initiating Proceeding and Inviting Comments[13] on the transition to intermodal telecommunications competition. The Proceeding was inspired by the rapidly developing competition for traditional wire-line telephone service from wireless and VoIP technology service providers.

On September 21, 2005, Staff issued Telecommunications in New York: Competition and Consumer Protection[14] (White Paper) in which Staff estimated that 90% of New Yorkers have the choice of at least two intermodal alternatives to the ILECs' wire-line networks. Further, Staff stated that while nearly all New Yorkers have choices to fill their telecommunications needs, some of these options are unavailable in some locations or may be inadequate substitutes for some critical customer segments.[15]

In its April 11, 2006 Order,[16] the Commission issued its Policy Statement which addressed, among other things, the appropriate level of regulation needed to maintain basic consumer protections for telecommunication services while supporting advances in telecommunications technologies and increased choice for New Yorkers. The Commission stated that New York's retail telecommunications markets have evolved dramatically over just the past few years. Many more people now carry mobile devices to maintain constantly available telecommunications capabilities, and rising numbers of consumers are abandoning wire-line services altogether. High-speed Internet access services, offered by multiple providers, enable e-mail, instant messaging, and VoIP services that expand consumers' telecommunications options, competing directly and indirectly with traditional telephone services. The vast majority of New Yorkers now have the choice of obtaining voice services from different providers using alternative technological platforms.

The Residential Consumer Survey supplements the findings of the Commission in its April 11, 2006 Order by supplying additional data about New York's telecommunications

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[13] Case 05-C-0616, Competition III Order Initiating Proceeding (issued June 29, 2005).

[14] Case 05-C-0616 - *Telecommunications in New York: Competition and Consumer Protection* (September 21, 2005) (White Paper).

[15] Ibid. p. 4.

[16] Case 05-C-0616, Competition III Statement of Policy and Order or Statement (Issued April 11, 2006).

markets and how residential consumers are benefiting from competition among the various alternative technologies. Specifically, the survey looks at:

- the types of telecommunications services consumers are subscribing to, what companies are supplying such services and how satisfied consumers are with the services they are purchasing;
- the level of competition among the various intermodal services, and whether consumers may consider switching to other providers or other similar services; and
- the demographic characteristics of consumers who choose the various types of services and in what areas of the state these services are available.

In addition, conclusions are drawn based on survey results to help corroborate some of the findings in the Comp III Order.

SURVEY METHODOLOGY

In August 2006 the New York State Department of Public Service contracted with ABVI to conduct a statewide residential consumer survey. Staff and ABVI developed the survey instrument and ABVI sub-contracted with CRUX Research, who validated the survey instrument. ABVI also sub-contracted with Survey Sampling International, LLC (SSI). SSI employed its random digit sampling methodology to screen-out business, non-working, cellular and unassigned numbers to provide a random list of 14,549 New York State published and unpublished residential wire-line telephone numbers.

A single survey instrument (Exhibit A) was used to question all respondents. Residential respondents were asked to participate if they were eighteen years of age or older and had input about the household's telephone service.

Staff desired that the sample size should be large enough so that inferences could be made with reasonable confidence levels. Staff also intended to analyze upstate and downstate residential customers separately. A statewide sample of 750 downstate customers and 750 upstate customers would each have a margin of error of +/-3.58% at a 95% confidence level. Together, the combined sample of 1,500 surveys would result in a margin of error of +/-2.53% at a 95% confidence level. The responses were coded as being either "upstate" or "downstate" depending upon the area code of the telephone number called. The area codes 716, 585, 315, 607, 518, and 845 were considered to be "upstate". The remaining New York State area code responses were coded as "downstate."[17] The dividing line between upstate and downstate area codes aligns with the northern border of Westchester County.

In order to estimate composite statewide percentages from the upstate and downstate samples, the corresponding upstate and downstate residential populations from the 2000 U.S. Census were used to weight the results.[18] When presenting statewide aggregate results, it was necessary to weight the upstate and downstate information because upstate customers were sampled at a higher rate than downstate customers. Weighting the results avoids any bias that would occur if these differential sampling rates were ignored when presenting statewide aggregate results.

To the extent possible, cellular numbers were excluded from the sample of phone numbers provided by SSI. While including cellular customers may be more reflective of the current market, Staff determined that wireless customers have a greater expectation of privacy and could be unhappy to receive a call to respond to a lengthy survey. For example, wireless customers expect calls from people they have given their telephone numbers to; they are not listed in easily accessible telephone directories; and they pay in dollars or minutes when they make or receive a call. In contrast, land line customers are not charged a specific fee for incoming calls and the phone numbers are easier to obtain. Despite efforts to exclude wireless numbers, .03% of the survey respondents are wireless only customers. Staff elected to keep these responses in the survey results because they had no material effect on the survey results. It is worth mentioning that the FCC, in its Eleventh Report on Wireless Competition,[19] provides estimates of the percentage of consumers who rely exclusively on cellular service ranging from 5.5% to 12%.

Note: All percentages in this report are estimates derived from a random sampling of the residential wire-line telephone numbers within the state.

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17 The following link provides a map of NYS area codes. http://www.dps.state.ny.us/tele.html

18 The upstate and downstate residential populations are 7,362,562 and 11,892,068, respectively.

19 Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, WT Docket No. 06-17, Eleventh Report, 21 FCC Rcd 10947 (Sept. 29, 2006).

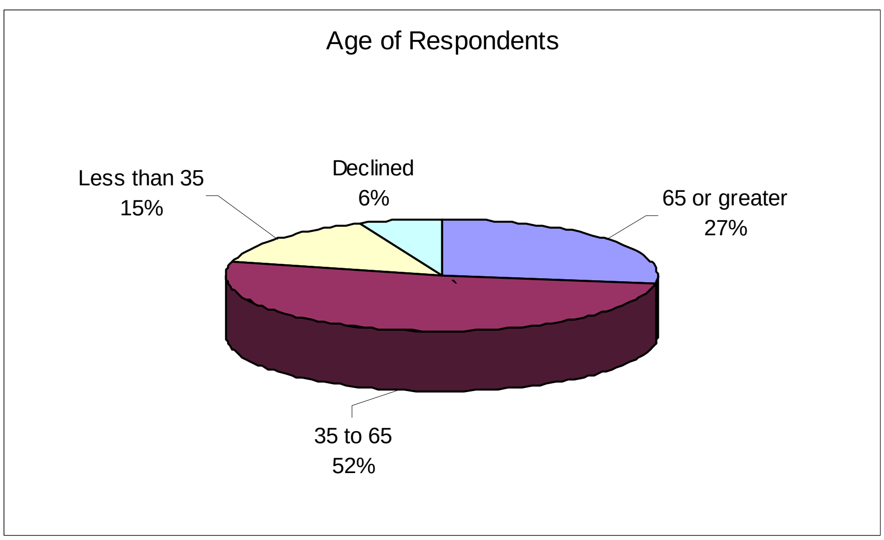
SURVEY FINDINGS

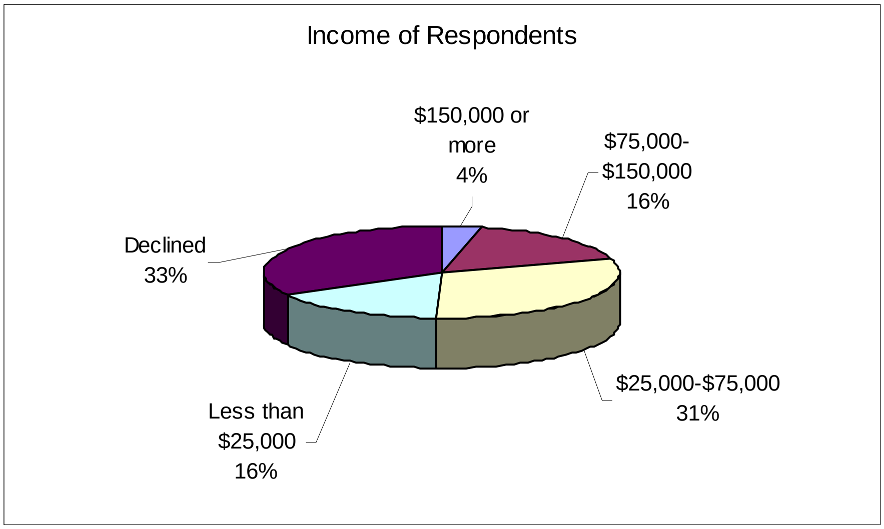
To determine whether the person who answered the phone was responsible for the home's residential telephone service, the respondents were asked: "Are you 18 or older and have input on your telephone service?" If the respondent answered no, and the person responsible for the home's telephone service was not available, the call was either terminated or a call back was scheduled. If the respondent answered yes, the surveyor explained that: "The New York State Department of Public Service oversees the telephone services industry in New York State. Your answers to this survey will impact decisions made by the New York Department of Public Service and are strictly confidential. We'd like to begin by understanding the types of telephone and cable television services you currently have in your household."

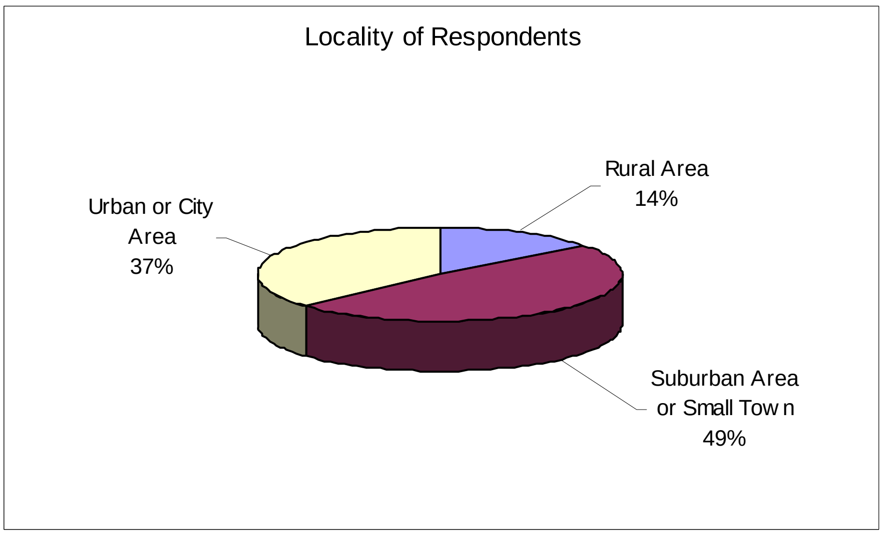
Respondents Demographics and Subscription Rates

1,509 surveys were completed. 756 respondents had downstate area codes and 753 had upstate area codes. The following charts depict the age, income, and locality of the survey respondents.

Note: Unless specified, the charts depict the estimated statewide composite of respondents.







Respondents Current Providers

To determine who the current service providers are, the respondents were asked a number of questions regarding residential phone, television, high-speed Internet and cell services.

Residential Service

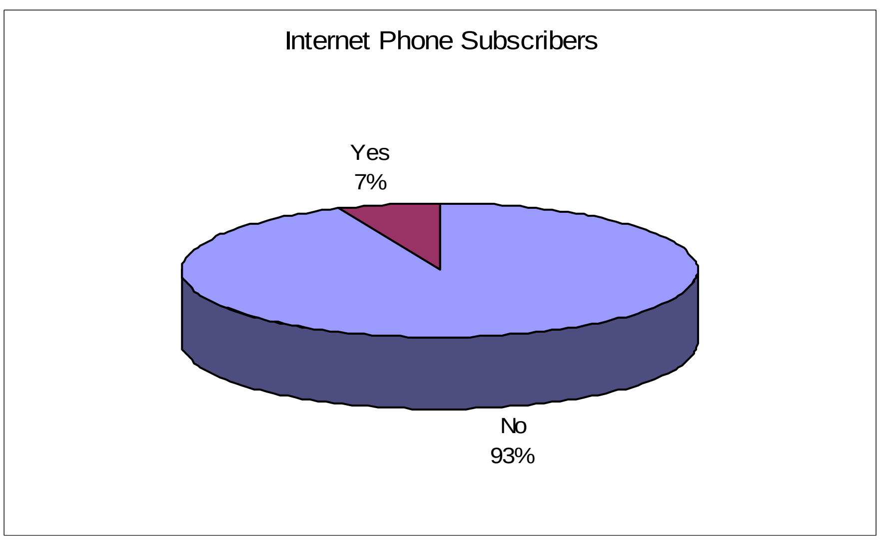
The respondents were asked: "What company provides your residential telephone service?" The following table depicts the results:

Service Provider	Statewide	Downstate	Upstate
Verizon	58%	65%	47%
CLEC & VoIP	13%	14%	10%
Cable Phone	12%	13%	12%
Frontier Companies	8%	1%	20%
Unknown	6%	6%	5%
Small ILEC	3%	1%	6%

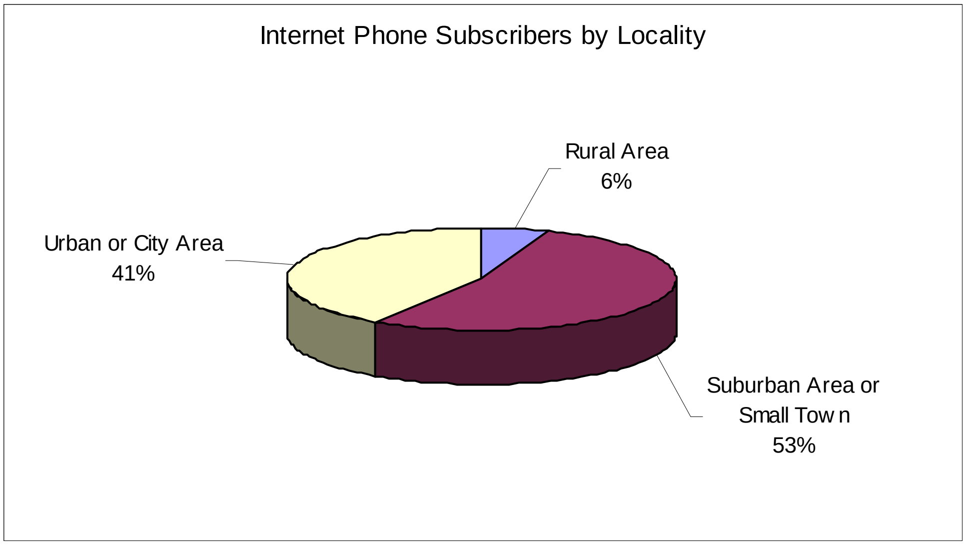
The survey responses indicate that almost 70% of the respondents are served by the ILECS –Verizon (58%), the Frontier Companies (8%) and Small ILECs (3%). Further, the ILECs are serving less customers downstate than upstate. 67% of the downstate respondents are served by ILECs as compared to 73% of the upstate respondents.

Internet Telephone Service

All respondents were asked: "Do you currently have Internet telephone service?" Although 12% of the survey respondents indicated that they have cable phone as seen in the table above, less than 7% of the survey respondents are aware that they are subscribing to Internet phone service. This indicates that a significant portion of cable telephony service subscribers do not associate the product with Internet telephony or VoIP.



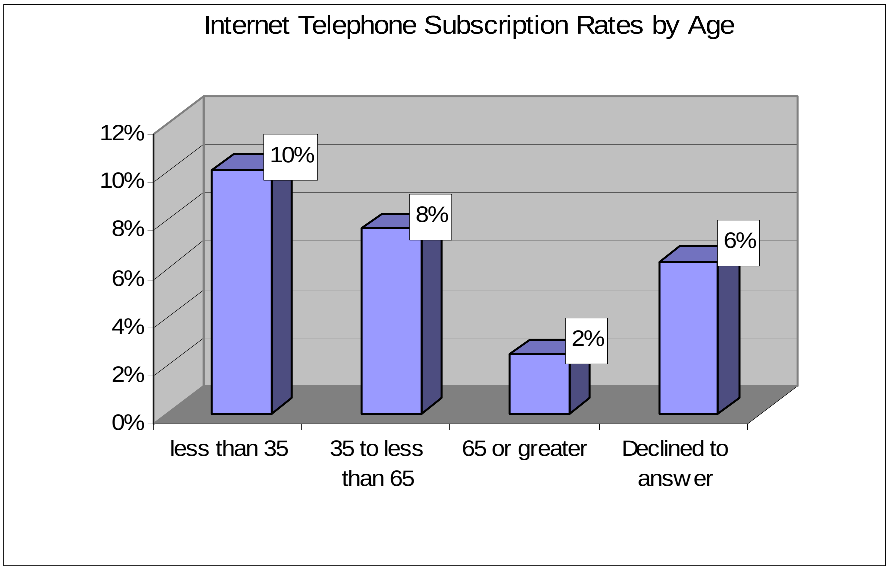
Of the 7% of respondents that subscribe to Internet phone service, 6% are from rural areas, 53% are from suburban areas or small towns, and 41% are from urban areas or cities.



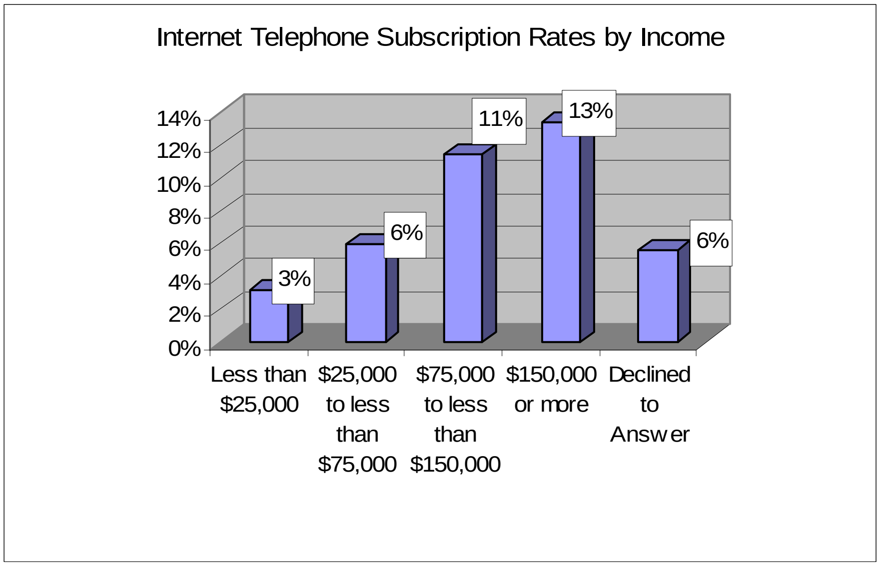
Further, 8% of downstate respondents stated that they subscribe to Internet telephone service as compared to 3% of upstate respondents.

Internet Phone Subscribers	Statewide	Downstate	Upstate
No	93%	92%	97%
Yes	7%	8%	3%

Respondents who stated they were Internet telephone subscribers (7% from a previous slide) and were in the “less than 35” age bracket had the highest subscription rate of any age bracket, and the subscription rate declined as the age bracket increased. As shown in the chart below 10% of the respondents in the "less than 35" age bracket subscribed to Internet telephone service as compared to 2% of the respondents in the “65 or greater” age bracket.



Similarly, respondents who stated they were Internet telephone subscribers (7%) and were in the "$150,000 or more" income bracket had the highest subscription rate of any income bracket, and the subscription rate declined as the income bracket decreased. As shown in the chart below 13% of the respondents in the "$150,000 or more" income bracket subscribed to Internet telephone service as compared to 3% of the respondents in the "less than $25,000" income bracket.



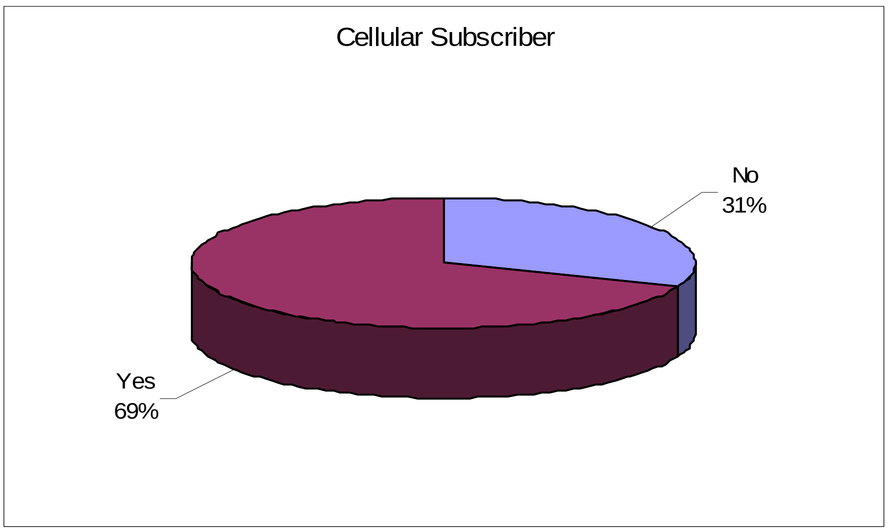
The respondents who indicated that they have Internet telephone service were asked "What company provides your Internet telephone service?" The following table depicts the results:

Internet Phone Providers	Statewide	Downstate	Upstate
CableVision	28%	34%	4%
Vonage	17%	17%	16%
All Others	17%	14%	28%
Time Warner	13%	8%	32%
Verizon	9%	9%	8%
Skype	6%	8%	0%
Sun Rocket	4%	3%	8%
AOL	3%	3%	4%
AT&T	2%	2%	0%
Earthlink	1%	2%	0%

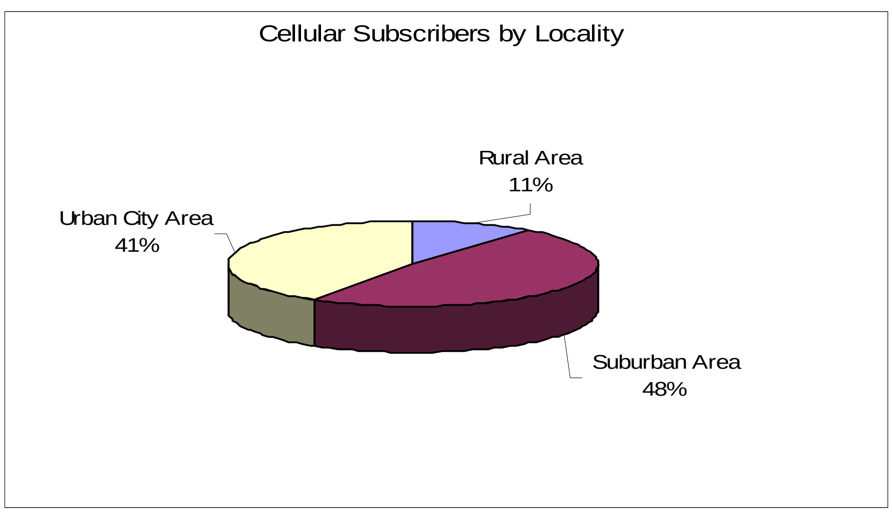
Cellular Service

The respondents were asked: "Do you currently have a cellular phone?" On a statewide basis, 69% of the respondents subscribe to cellular service. 74% of the downstate respondents subscribe to cellular service as compared to 61% of upstate respondents.[20]

Cellular customers	Statewide	Downstate	Upstate
No	31%	26%	39%
Yes	69%	74%	61%

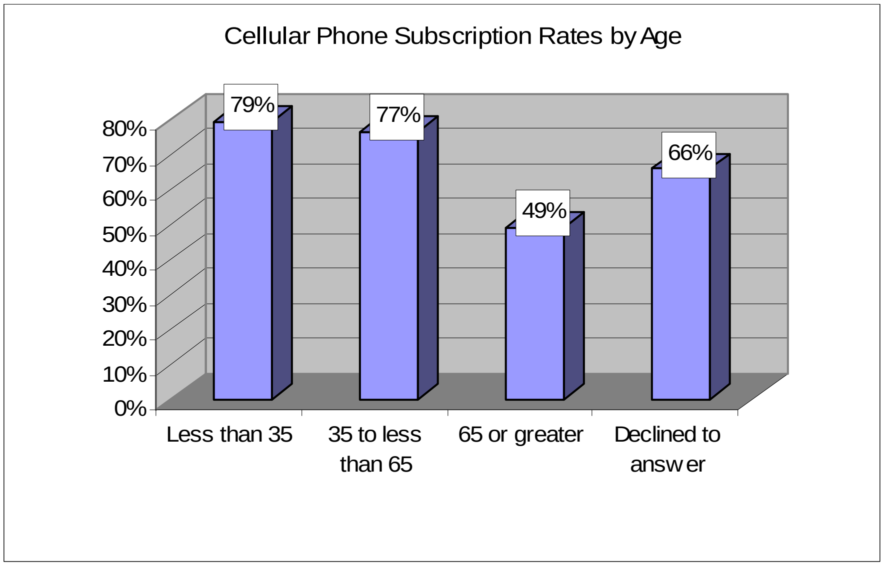


Of the cellular subscribers, 11% are from rural areas, 48% are from suburban areas or small towns, and 41% are from urban areas or cities.

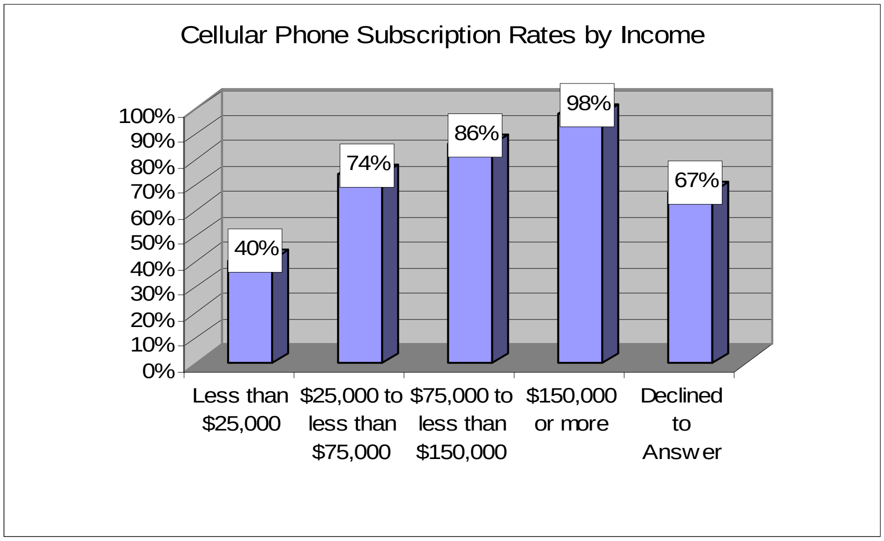


[20] As previously noted, the results from this survey understate the percentage of cell phone customers as cell phone only customers were not fully considered.

Respondents who stated they were cellular phone subscribers (69% from a previous slide) and were in the “less than 35” age bracket had the highest subscription rate of any age bracket, and the subscription rate declined as the age bracket increased. As shown in the chart below 79% of the respondents in the "less than 35" age bracket subscribed to cellular phone service as compared to 49% of the respondents in the “65 or greater” age bracket.



Likewise, respondents who stated they were cellular phone subscribers (69%) and were in the “$150,000 or more” income bracket had the highest subscription rate of any income bracket, and the subscription rate declined as the income bracket decreased. As shown in the chart below 98% of the respondents in the "$150,000 or more" income bracket subscribed to cellular phone service as compared to 40% of the respondents in the "less than $25,000" income bracket.



The following question was asked of the respondents who indicated that they have cellular phone service: "What company provides your cellular phone service?" The following chart depicts the dominant cell phone providers statewide and by region. Verizon is the largest cell service provider both downstate and upstate.

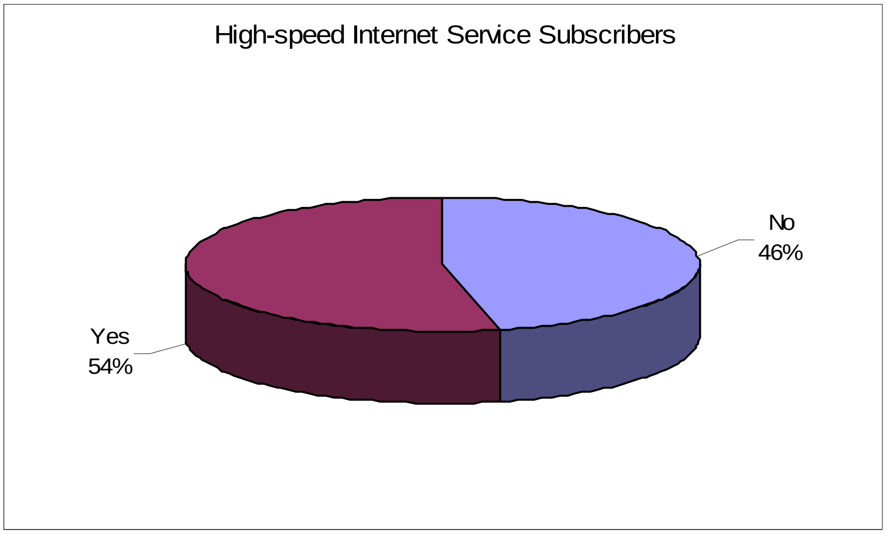
Cellular Service Providers	Statewide	Downstate	Upstate
Verizon	41%	35%	51%
Cingular	19%	21%	15%
Sprint Nextel	16%	17%	15%
T-Mobile	13%	18%	4%
All Others	11%	9%	15%

High-speed Internet Service

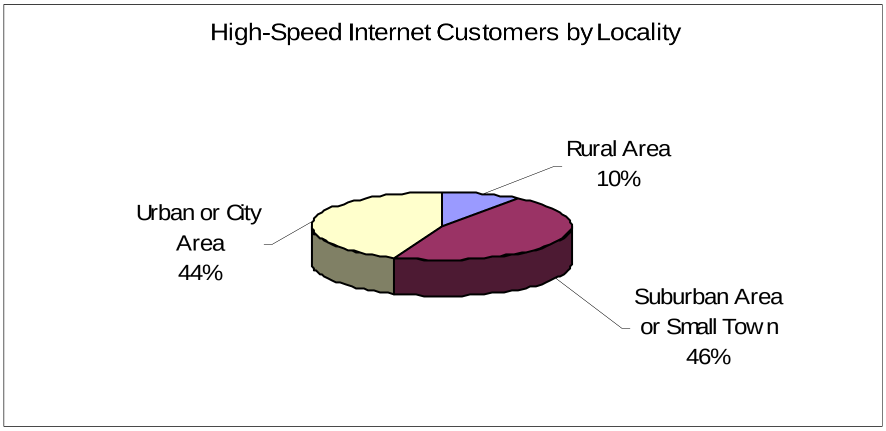
The respondents were asked: "Do you currently have high-speed cable modem or DSL Internet service?" The survey did not differentiate between customers who use high-speed cable modem service or DSL service. 54% of the respondents subscribe to a high-speed cable-modem or DSL Internet service. 56% of downstate respondents subscribe to a high-speed Internet service as compared to 49% of upstate respondents.[21]

High-speed Internet Service	Statewide	Downstate	Upstate
No	46%	44%	51%
Yes	54%	56%	49%

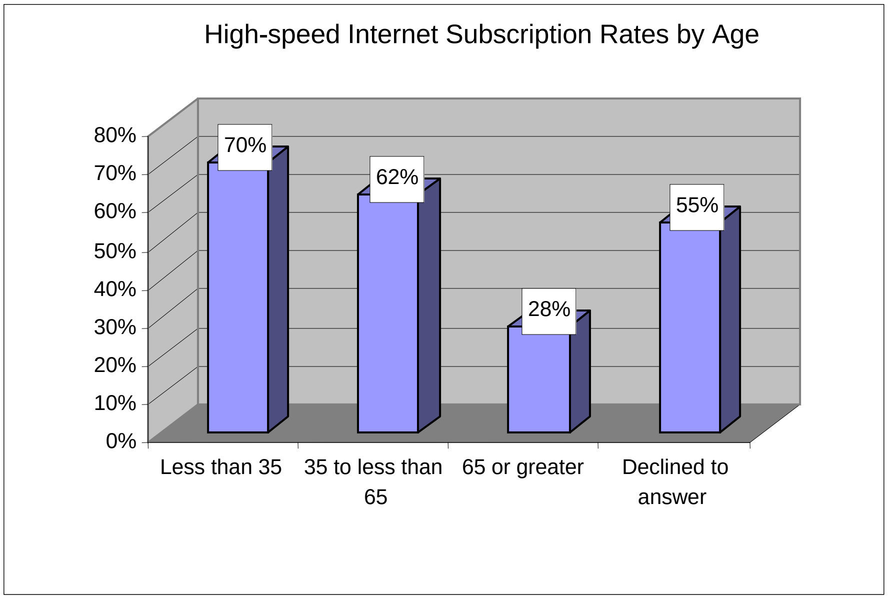
21 Based on the June 30, 2006 FCC High-speed Broadband Report staff estimates that the residential penetration of broadband in New York State is 52%.



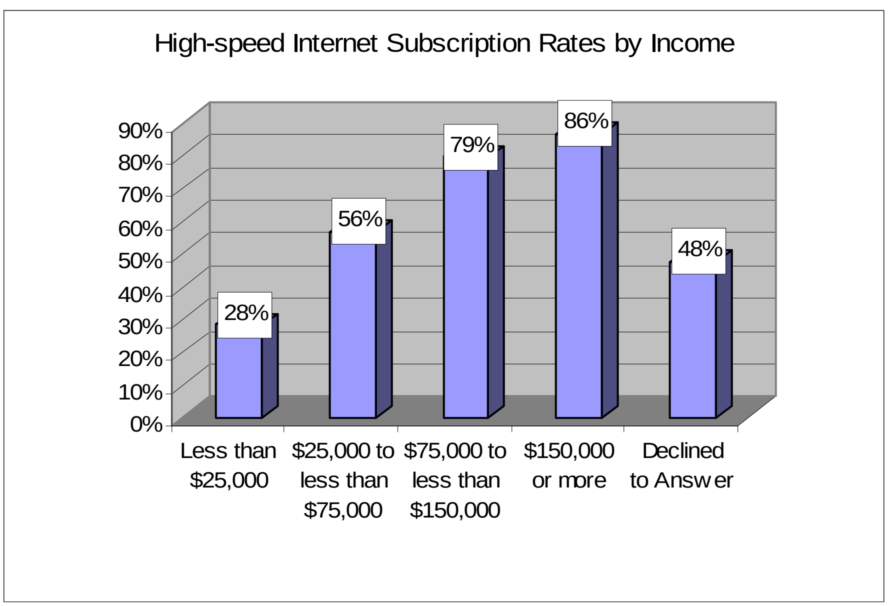
Of the high-speed Internet subscribers, 10% are from rural areas, 46% are from suburban areas or small towns, and 44% are from urban areas or cities.



Respondents who stated they were high-speed Internet subscribers (54% from a previous slide) and were in the “less than 35” age bracket had the highest subscription rate of any age bracket, and the subscription rate declined as the age bracket increased. As shown in the chart below 70% of the respondents in the "less than 35" age bracket subscribed to high-speed Internet service as compared to 28% of the respondents in the “65 or greater” age bracket.



Likewise, respondents who stated they were high-speed Internet subscribers (54%) and were in the “$150,000 or more” income bracket had the highest subscription rate of any income bracket, and the subscription rate declined as the income bracket decreased. As shown in the chart below, 86% of the respondents in the "$150,000 or more" income bracket subscribed to high-speed Internet service as compared to 28% of the respondents in the "less than $25,000" income bracket.

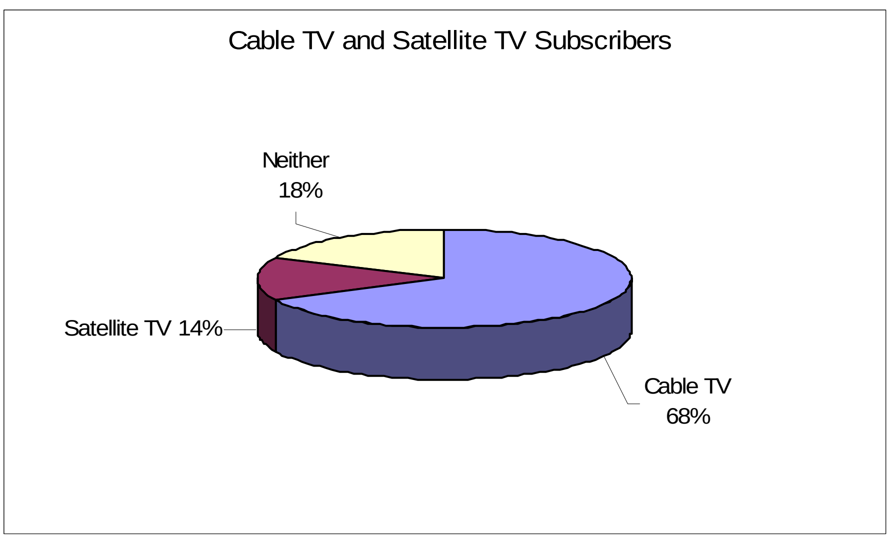


The respondents who have high-speed cable modem or DSL Internet service were asked: "What company provides your high-speed Internet service?" On a statewide basis, Time Warner is the single largest Internet service provider with 36% of the respondents. The largest Internet service providers downstate and upstate are Cablevision and Time Warner, respectively.

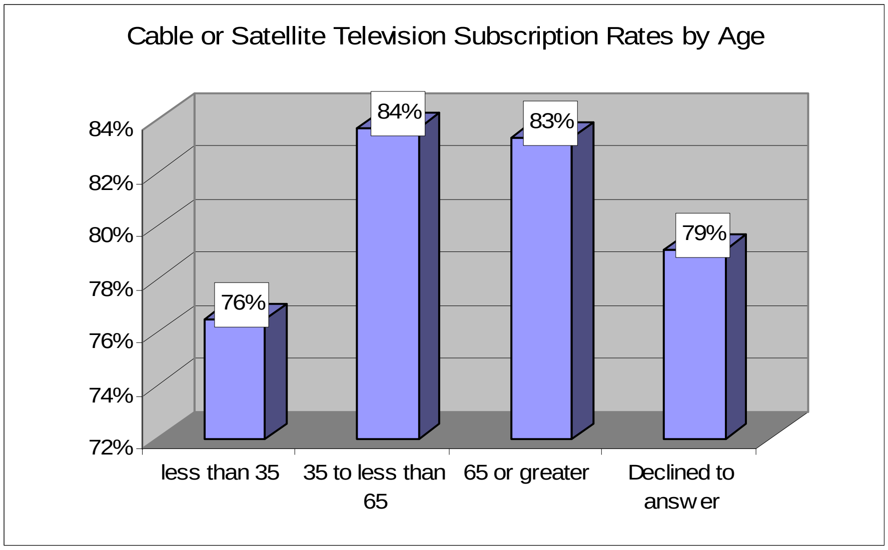
High-Speed Internet Service Provider	Statewide	Downstate	Upstate
All Others	38%	39%	35%
Time Warner/Adelphia	36%	25%	57%
CableVision	19%	27%	3%
Verizon	7%	9%	5%

Cable TV/Satellite Service

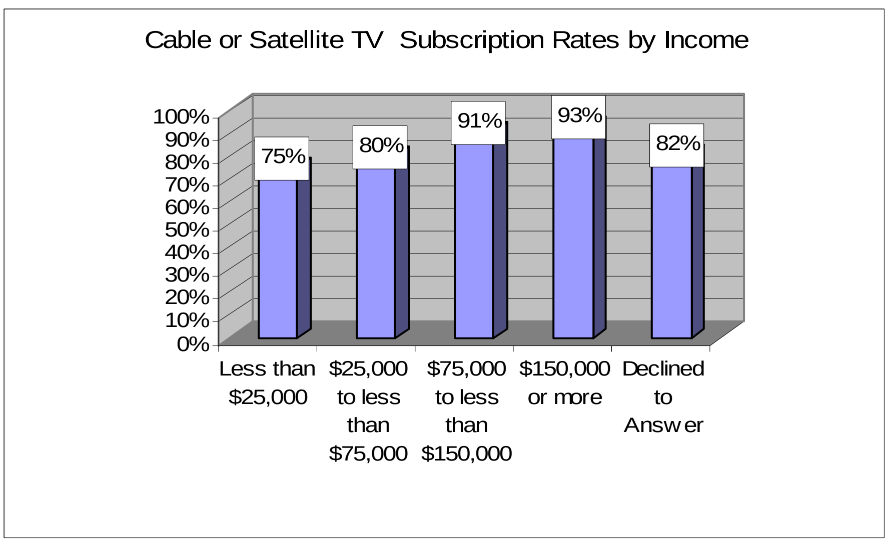
The respondents were asked: "Do you currently have cable television?" 68% of the consumers surveyed subscribe to cable television service. The respondents who do not have cable television service were asked: "Do you currently have satellite television?" 45% of the respondents that do not subscribe to cable television service subscribe to satellite television service. On a statewide basis, 82% of the respondents subscribe to either cable or satellite television service. The majority of respondents in every age and income bracket subscribe to either cable or satellite television service as depicted in the following charts:



Respondents who stated they were cable or satellite television subscribers (82% from a previous slide) and were in the "35 to less than 65" age bracket had the highest subscription rate, however it was only slightly higher that respondents in the "65 or greater" age bracket. As shown in the chart below, 84% of the respondents in the "35 to less than 65" age bracket subscribed to cable or satellite television service as compared to 76% of the respondents in the "less than 35" age bracket.



Respondents who stated they were cable or satellite television subscribers (82%) and were in the “$150,000 or more” income bracket had the highest subscription rate of any income bracket. As shown in the chart below 93% of the respondents in the "$150,000 or more" income bracket subscribed to cable or satellite television service as compared to 75% of the respondents in the "less than $25,000" income bracket.



Current Providers - Conclusions

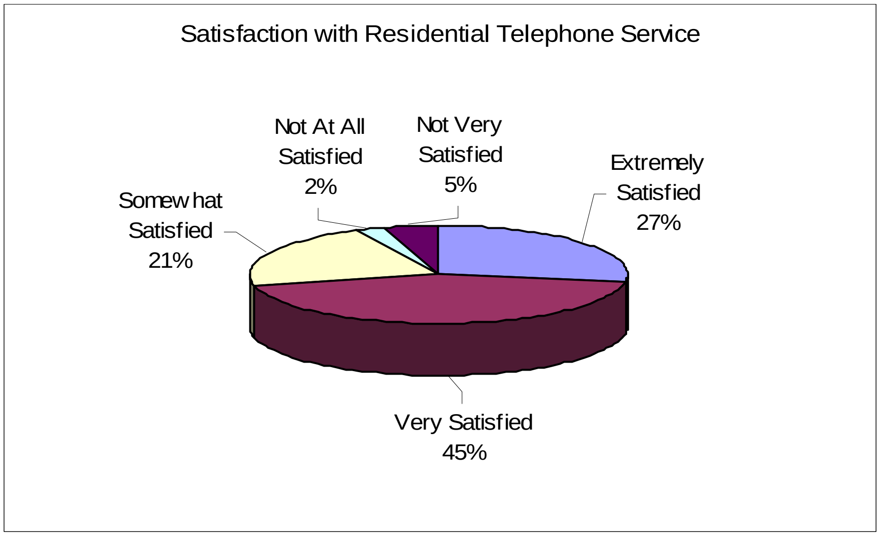
In summary, 69% of the respondents have cellular phones; 7% stated they have Internet phone service; 54% have high-speed Internet services; and 82% subscribe to either cable or satellite television. With the exception of the “65 or greater” age bracket and the “less than $25,000” income bracket, the majority of respondents in each income and age bracket subscribe to cellular service. The highest penetration rates for Internet phone service and high-speed Internet service are in the higher income brackets and the “less than 35” age bracket. The majority of respondents in every age and income bracket subscribes to cable or satellite television service. Further, just under 70% of the respondents indicated that they obtain their residential telephone service from an ILEC.

Customer Satisfaction

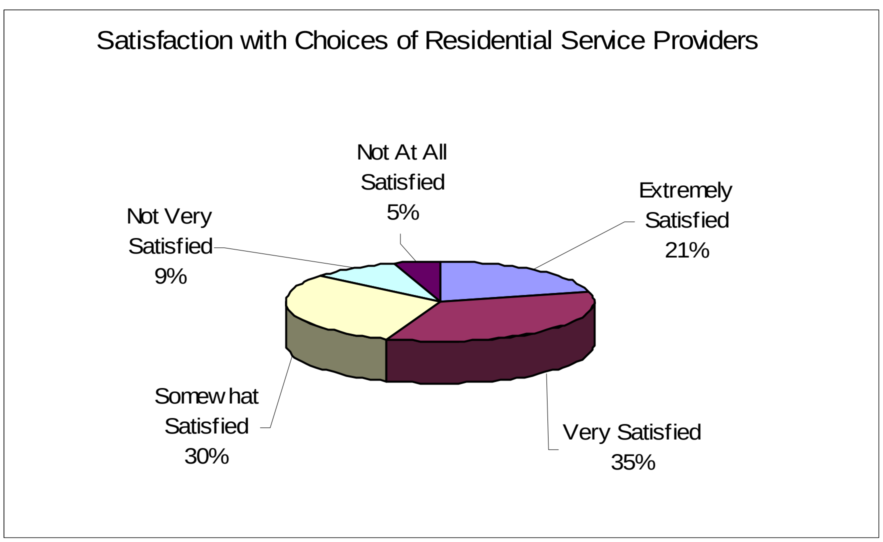
To evaluate customer satisfaction with various services the respondents were asked a number of questions regarding the respondent’s residential phone, television, high-speed Internet and cellular services.

Residential Service

The respondents were asked: “How satisfied are you with your residential telephone service?” 93% of the respondents provided answers suggesting that they are at least somewhat satisfied with their residential phone service. 72% of respondents indicated that they are either very satisfied or extremely satisfied with their residential service. The following chart depicts the results:



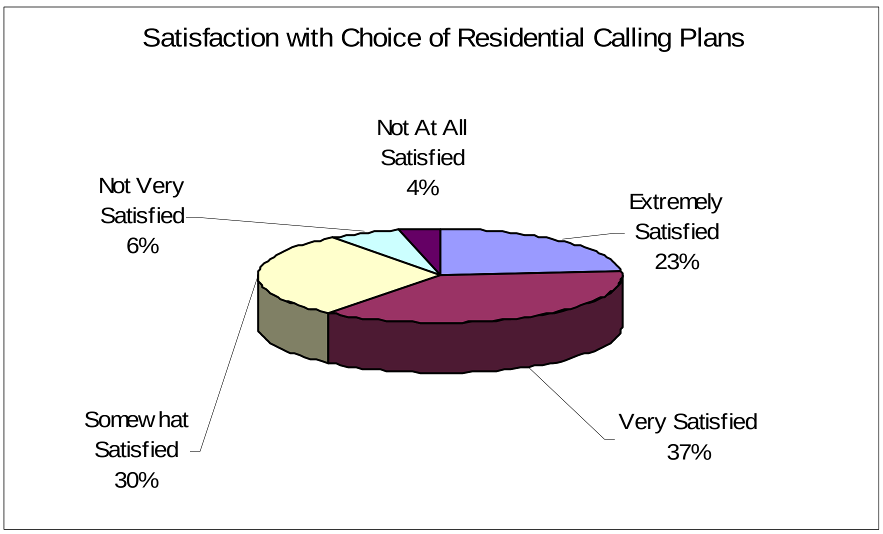
The respondents were asked: “Regarding your residential telephone service, how satisfied are you with the choices you have in terms of the companies to choose from?” 86% of all respondents provided answers suggesting they are at least somewhat satisfied with the choices of residential telephone service providers available to them. 56% of the respondents are either extremely or very satisfied with the choices of residential telephone service providers available to them. The following chart depicts the results:



88% of downstate respondents were satisfied with their choice of residential service providers as compared to 82% of upstate respondents. The following table depicts the results.

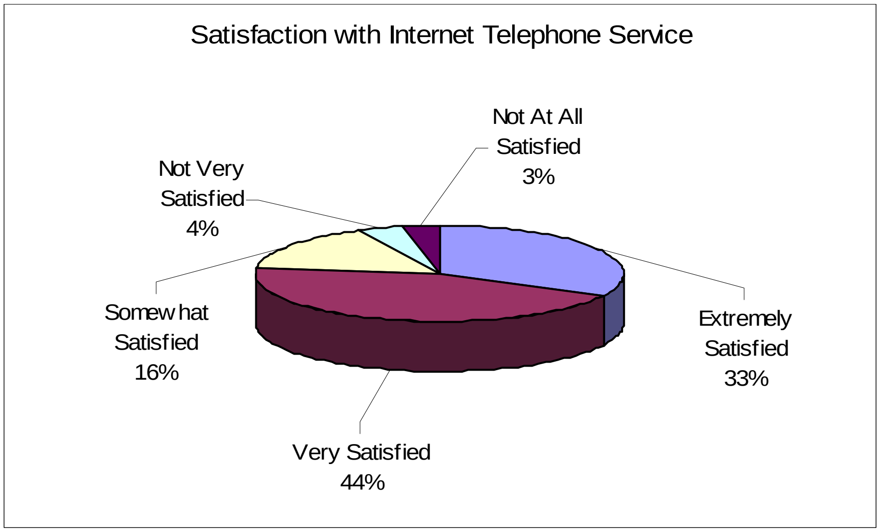
Satisfaction w/Residential Service Providers to Choose from	Statewide	Downstate	Upstate
Extremely Satisfied	21%	21%	21%
Very Satisfied	35%	37%	30%
Somewhat Satisfied	30%	30%	31%
Not Very Satisfied	9%	8%	11%
Not At All Satisfied	5%	4%	7%

Respondents were then asked: "Regarding your residential telephone service, how satisfied are you with the choices you have in terms of the calling plans to choose from?" 90% of the respondents are at least somewhat satisfied with their choices of residential calling plans. 60% of the respondents are extremely or very satisfied with their choices of residential calling plans as depicted in the chart below. In addition, the respondent's satisfaction level does not significantly differ by region of the state.



Internet Phone Service

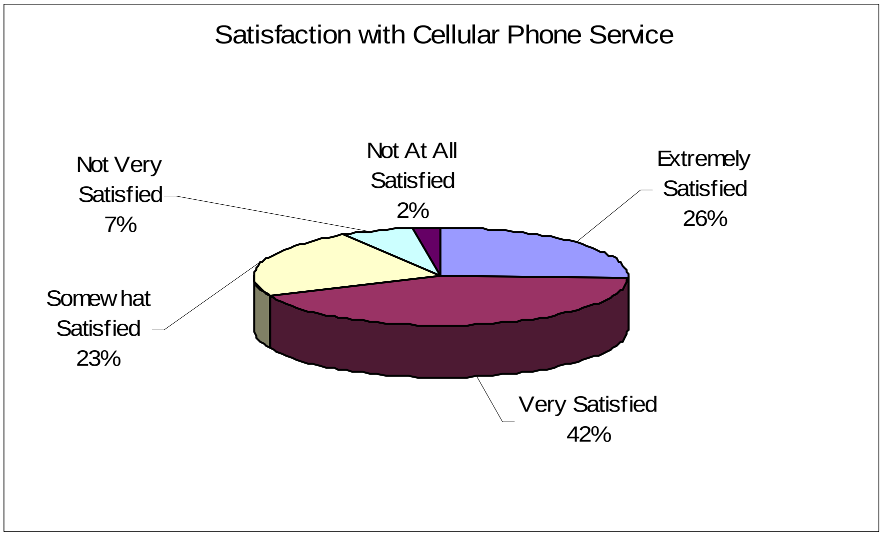
The respondents who stated that they have Internet phone service were asked "How satisfied are you with your Internet telephone service?" 93% of those respondents provided answers suggesting that they are at least somewhat satisfied with their Internet phone service. 77% of the respondents are extremely or very satisfied with their Internet phone service. Further, 96% of upstate respondents indicated that they are satisfied with their Internet phone service as compared to 92% of downstate respondents. The following chart and table depict these results:



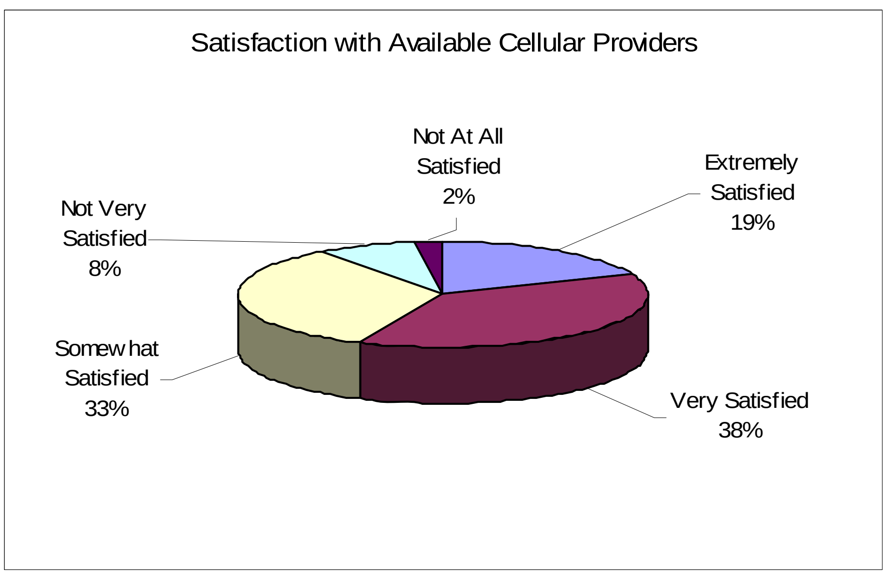
Satisfaction w/Internet Telephone Service	Statewide	Downstate	Upstate
Extremely Satisfied	33%	32%	36%
Very Satisfied	44%	46%	36%
Somewhat Satisfied	16%	14%	24%
Not Very Satisfied	4%	5%	0%
Not At All Satisfied	3%	3%	4%

Cellular Phone Service

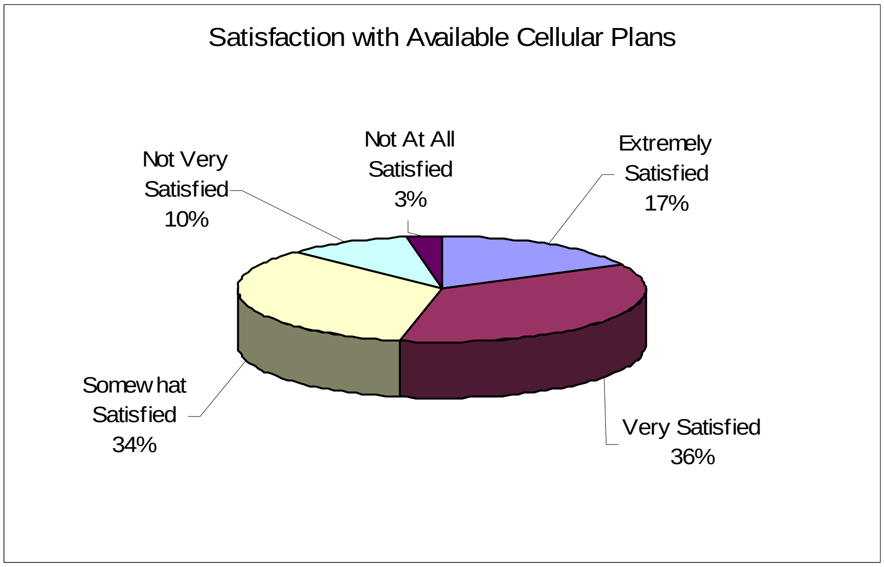
The respondents who have cell phones were asked “How satisfied are you with your cellular phone service?” 91% of the respondents who subscribed to cell phone service provided answers suggesting that they are satisfied with their current cell phone service. 68% of the respondents are extremely or very satisfied with their current cell phone service. In addition, the respondent’s satisfaction level does not significantly differ by region of the state. The following chart depicts the results:



Respondents who either have cell service or who know that cell service is available in their area were asked "Regarding cellular phone service, how satisfied are you with the choices you have in terms of the companies to choose from?" A total of 90% of these respondents provided answers suggesting that they are satisfied with the available cellular phone providers. 57% of the respondents were extremely or very satisfied with the available cellular phone providers. The following chart depicts the results:



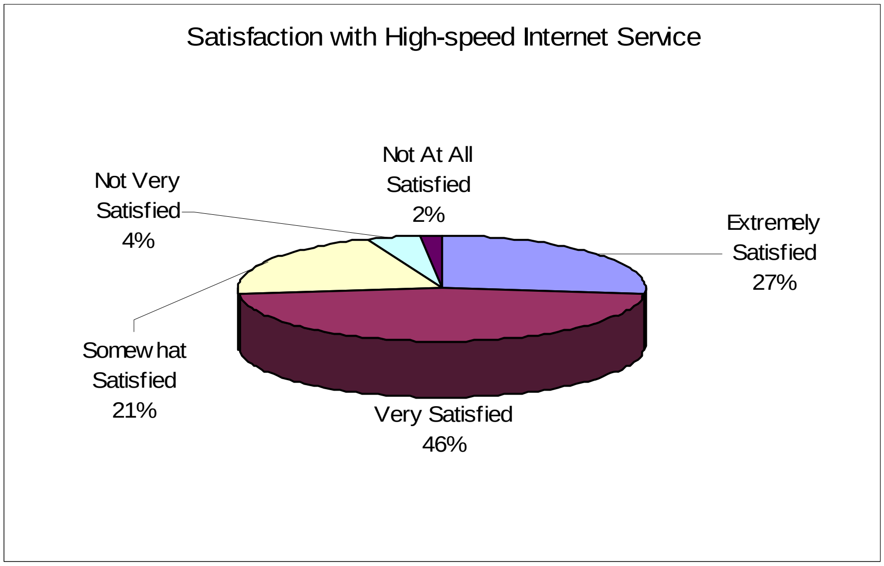
The same group of respondents was asked "…how satisfied are you with the choices you have in terms of the [cellular] calling plans to choose from?" A total of 87% of these respondents provided answers suggesting satisfaction with the available cellular plans. 53% of respondents were extremely or very satisfied with the available cellular plans. The following chart depicts the results:



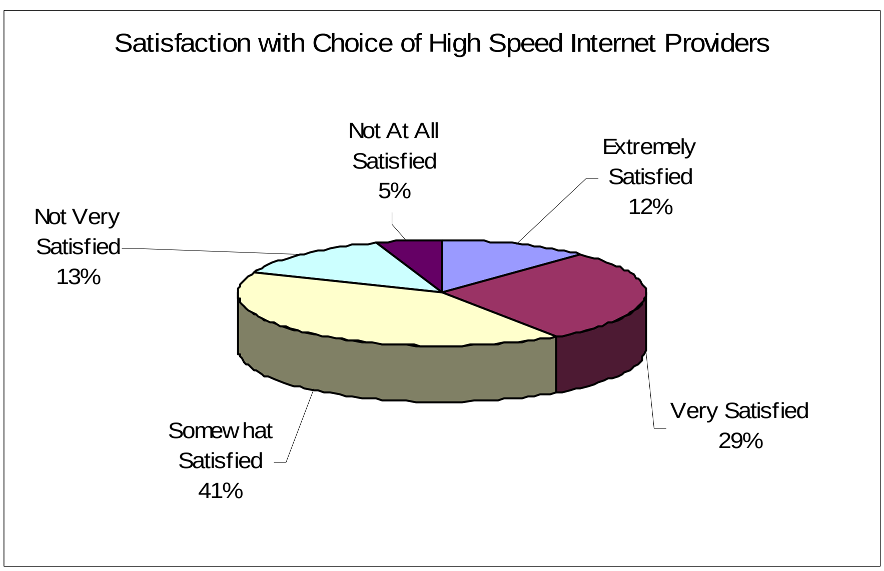
High-speed Internet Service

The respondents were asked: "How satisfied are you with your high-speed Internet service?" 94% of all respondents provided answers suggesting that they are satisfied with their current high-speed Internet service. 73% of respondents are extremely or very satisfied with their current high-speed Internet service. 96% of upstate respondents were satisfied with their high-speed Internet service as compared to 93% of downstate respondents. The following table and chart depict the results:

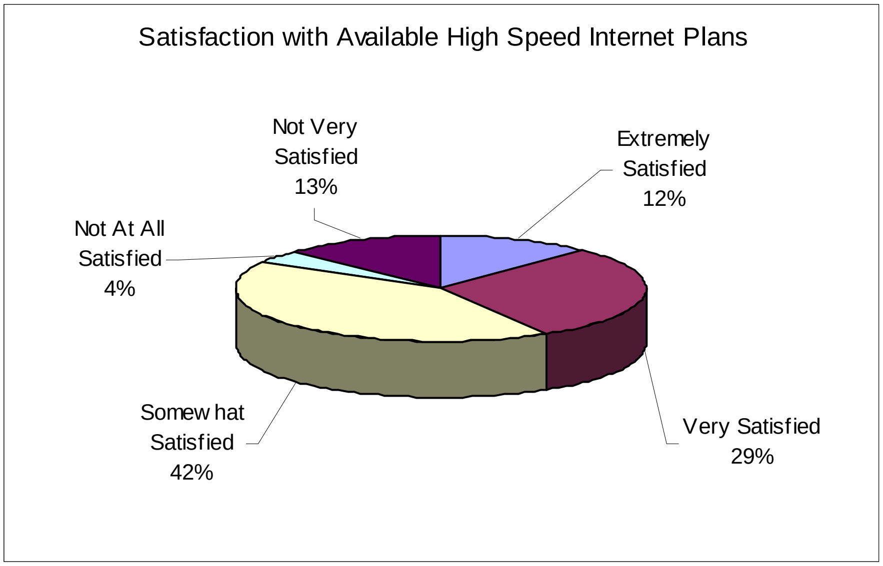
How satisfied are you with your high-speed Internet service?	Statewide	Downstate	Upstate
Extremely Satisfied	27%	27%	27%
Very Satisfied	46%	46%	46%
Somewhat Satisfied	21%	20%	23%
Not Very Satisfied	4%	5%	3%
Not At All Satisfied	2%	2%	1%



Respondents who either subscribe to a high-speed Internet service or know that high-speed Internet service is available in their area were asked "Regarding high-speed Internet service, how satisfied are you with the choices you have in terms of the companies to choose from?" A total of 82% of these respondents provided answers suggesting some degree of satisfaction with the available high-speed Internet providers. 41% of the respondents were extremely or very satisfied with the available high-speed Internet providers as depicted in the following chart:

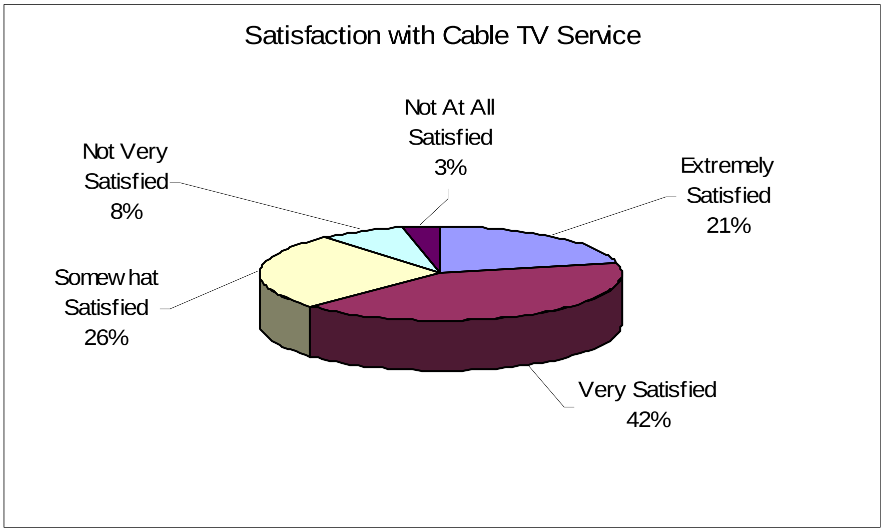


The same respondents were asked "Regarding high-speed Internet service, how satisfied are you with the choices you have in terms of the plans to choose from?" 83% of these respondents provided answers suggesting some degree of satisfaction with the available high-speed Internet service plans. 41% of the respondents are extremely or very satisfied with the available high-speed Internet service plans. The following table depicts the results:

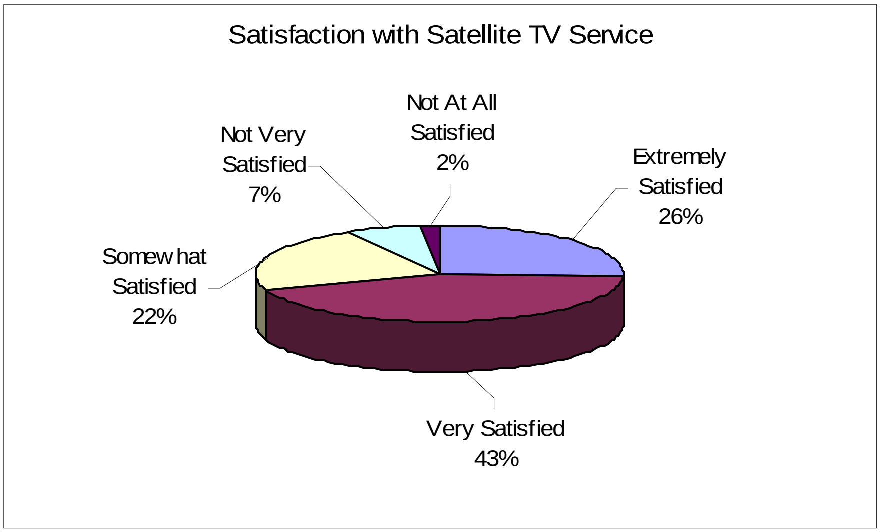


Cable/Satellite Television Service

Respondents who indicated that they subscribed to a cable television service were asked "How satisfied are you with your cable service?" 89% of these respondents provided answers suggesting some degree of satisfaction with their current cable service. 63% of the respondents were extremely or very satisfied with their current cable service. The following chart depicts the results:



Respondents who subscribe to a satellite television service were asked "How satisfied are you with your satellite television service?" 91% of these respondents provided answers suggesting that they are satisfied with their current satellite television service. 69% of the respondents were extremely or very satisfied with their current satellite television service. 94% of downstate subscribers expressed satisfaction with their satellite service as compared to 90% of upstate subscribers. The following chart and table depict the results:



Satisfaction w/Satellite TV Service	Statewide	Downstate	Upstate
Extremely Satisfied	26%	22%	31%
Very Satisfied	44%	48%	39%
Somewhat Satisfied	22%	24%	20%
Not Very Satisfied	7%	5%	8%
Not At All Satisfied	2%	1%	2%

Finally, the survey results indicate that customers who have at least two platform options are slightly more satisfied with their residential phone service than customers who do not have two options. The satisfaction level for the 95% of respondents with two platform options is 93%. The satisfaction level of respondents who do not have alternative platform options is 90%. The difference between these satisfaction levels is statistically significant at the 95% confidence level. Thus, the survey supports the notion that customers with more options are slightly more satisfied with their residential phone service.

How Satisfied are you with your residential telephone service?	Percent Satisfied (weighted composite)	Margin of Error (plus or minus)
Customers without alternative platform options	90.2%	3.7%
Customers with at least two platform alternatives	93.2%	1.4%
Difference (significant at 95% confidence level)	3.0%	

Customer Satisfaction - Conclusion

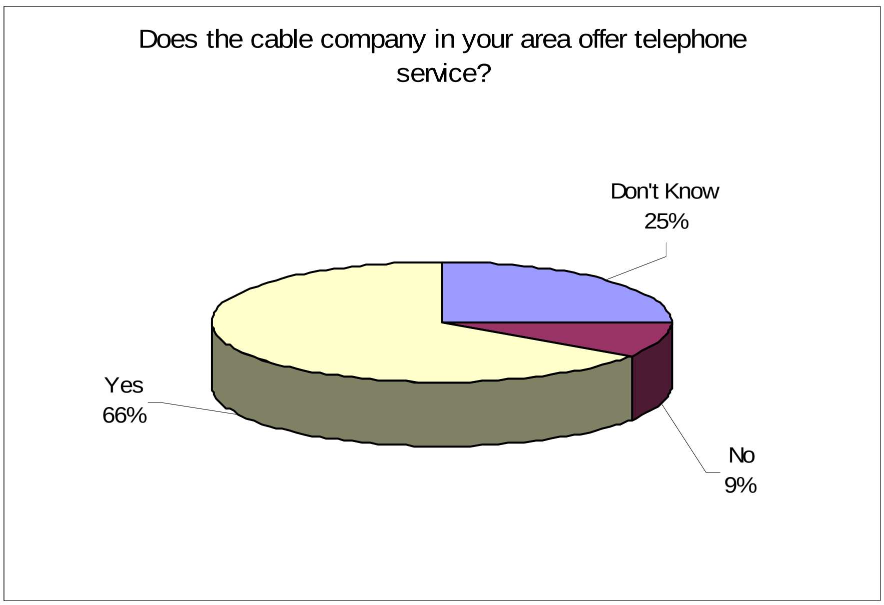
Regarding residential phone service, 93% of the respondents are satisfied with their service; 86% are satisfied with the choices of residential telephone service providers available to them; and 90% are satisfied with their choices of residential calling plans. 93% of Internet phone subscribers are satisfied with their Internet phone service. 91% of the respondents who subscribed to cell phone service are satisfied with their current cell phone service, 90% are satisfied with the available cellular phone providers, and 87% are satisfied with the available cellular plans. Regarding high-speed Internet service, 94% of the respondents are satisfied with their current service, 82% are satisfied with the available high-speed Internet providers, and 83% are satisfied with the available high-speed Internet plans. 89% of the respondents are satisfied with their current cable service and 91% are satisfied with their satellite television service.

CUSTOMER SATISFACTION SUMMARY	
Satisfaction with Service:	
Residential Phone Service	93%
Internet Phone Service	93%
Cell Phone Service	91%
High Speed Internet Service	94%
Cable Service	89%
Satellite Television Service	91%
Satisfaction with Choice of Providers	
Choices of Residential Service Providers	86%
Choice of Cell Phone Providers	90%
Choice of High Speed Internet Providers	82%
Satisfaction with Choice of Plans	
Choice of Residential Calling Plans	90%
Choice of Cellular Plans	87%
Choice of High Speed Internet Plans	83%

Awareness of Alternative Providers and Platforms

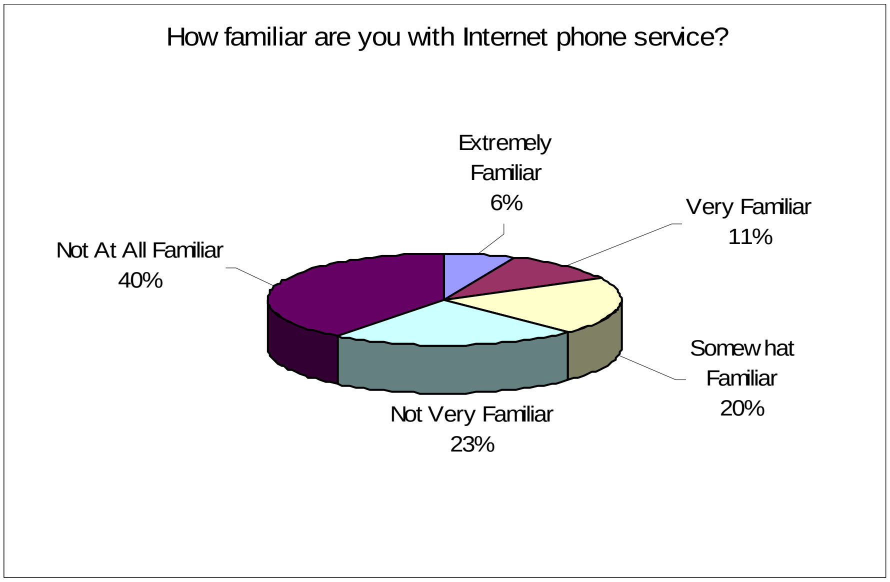
To evaluate customer awareness of various alternative telecommunications platforms, the respondents were asked a number of questions regarding their knowledge of cable and Internet phone service.

The respondents were asked "Does the cable television company in your area also offer telephone service?" 66% responded that the cable company in their area offers phone service. 69% of downstate respondents knew that the cable company in their area offered telephone service compared to 60% of upstate respondents. The following chart and table depict the results:



Does the Cable Company in Your Area Offer Telephone Service?	Statewide	Downstate	Upstate
Don't Know	25%	24%	27%
No	9%	7%	13%
Yes	66%	69%	60%

The respondents were also asked "How familiar are you with Internet phone service?" 37% of the respondents were familiar with Internet phone service. Further, downstate respondents were more familiar with Internet phone service at 39% than upstate residents at 35%. The following chart and table depict the results:



How familiar are you with Internet phone service?	Statewide	Downstate	Upstate
Extremely Familiar	6%	7%	5%
Very Familiar	11%	12%	9%
Somewhat Familiar	20%	20%	21%
Not Very Familiar	23%	23%	22%
Not At All Familiar	40%	38%	43%

Awareness - Conclusion

66% of respondents knew that the cable company in their area offered phone service. 37% of the respondents are familiar with Internet phone service. In conclusion, residential consumers are not highly aware of the service provider and technological alternatives available to them.

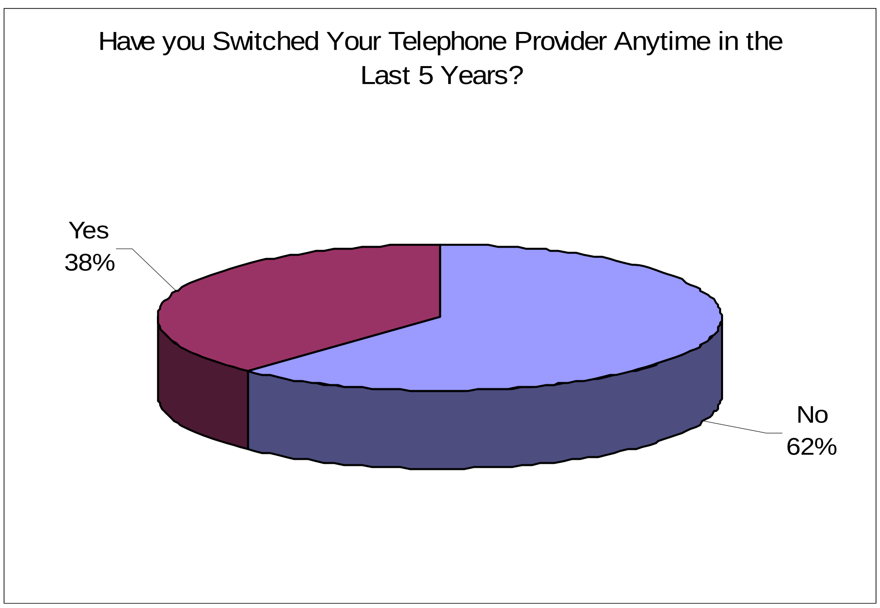
Consumer Switching

One of the goals of the survey was to determine the willingness of consumers to either switch providers or to switch modes of telephone service. Several survey questions addressed whether a respondent had switched any of their services in the past year or past five years, and the reasons they decided to switch. Another series of questions focused on the likelihood of a respondent to switch services from one company to another in the next couple of years and the reasons for switching or not switching. Finally, respondents who indicated that they were not likely to switch services were asked what would motivate them to switch specific services from one company to another.

Respondents were also asked questions regarding the likelihood that they would disconnect their wire-line service and rely exclusively on cell service; and, consider switching their home telephone service to a telephone service provided by their cable company.

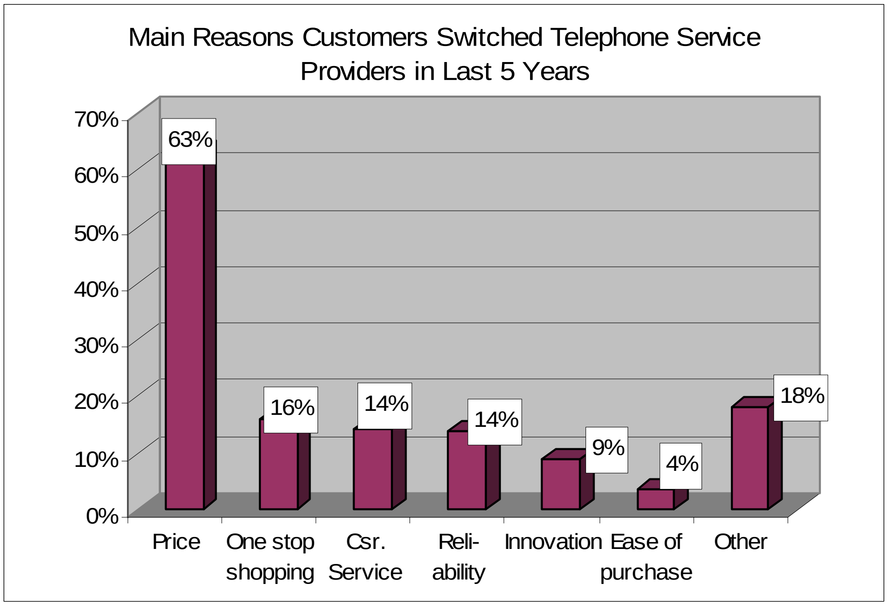
Switching History

The respondents were asked questions about whether they had switched telephone service provider in the past year or during the past five years. 21% of the respondents had switched telephone service in the past year. A total of 38% of the respondents had switched telephone service in the past five years. 40% of downstate respondents had switched telephone service in the past five years as compared to 35% of upstate respondents. The following chart and table depict the results.



Have you Switched Your Telephone Provider Anytime in the 5 Years?	Statewide	Downstate	Upstate
No	62%	60%	65%
Yes	38%	40%	35%

The respondents who indicated that they had switched services were asked "What would you say were the main reasons you decided to switch your telephone service?" 63% of these respondents identified price as a primary reason for switching telephone service. 16% of respondents said a primary reason they switched service was because of one-stop shopping and 14% said a primary reason they switched service was because of customer service and reliability.

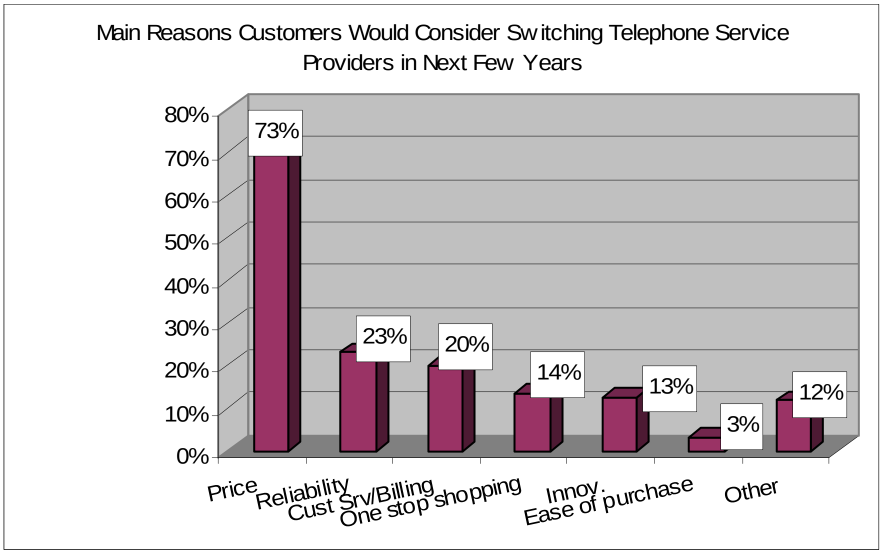


Note: Respondents were asked to provide as many responses as were applicable.

Plans to Switch Providers

A series of survey questions was designed to find out if consumers were planning to switch their telephone, cellular, Internet, or television services during the next couple of years. Generally, the large majority of respondents indicated that they are not planning to switch any of their services in the next few years.

Respondents who are not planning to switch services or who do not know if they will switch services were asked: “What would it take to motivate you to switch your … service from one company to another?” For telephone service, price was by far the most significant factor that would motivate consumers to switch service. Over three times as many respondents would consider switching their telephone service as a result of a change in price, than respondents that would consider switching for improved reliability which was the next highest reason identified as a motivator for switching.

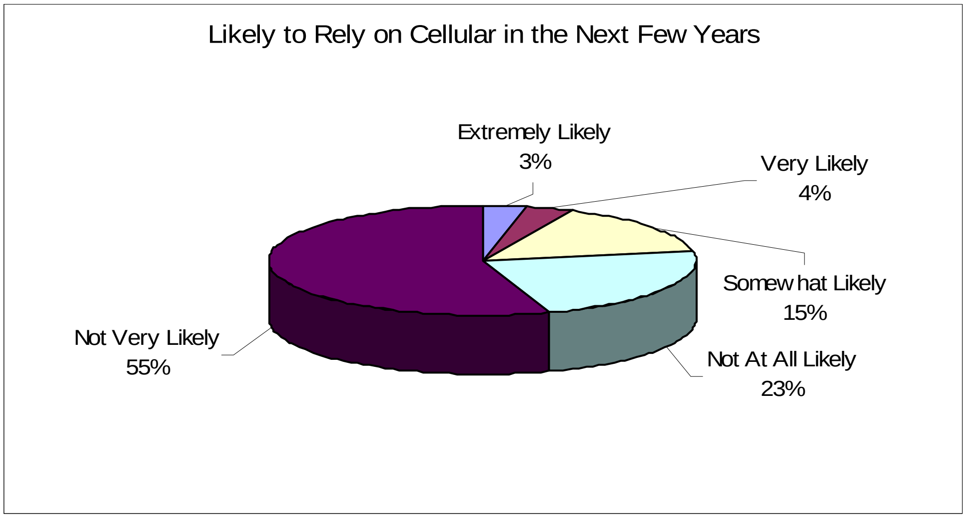


Switching Modes of Telephone Service

As discussed below, two survey questions focused on how likely consumers might be to switch from traditional landline telephone service to either cell phone service or to telephone service provided by a cable company.

Disconnecting Landline Phone to Rely on Cell Phone

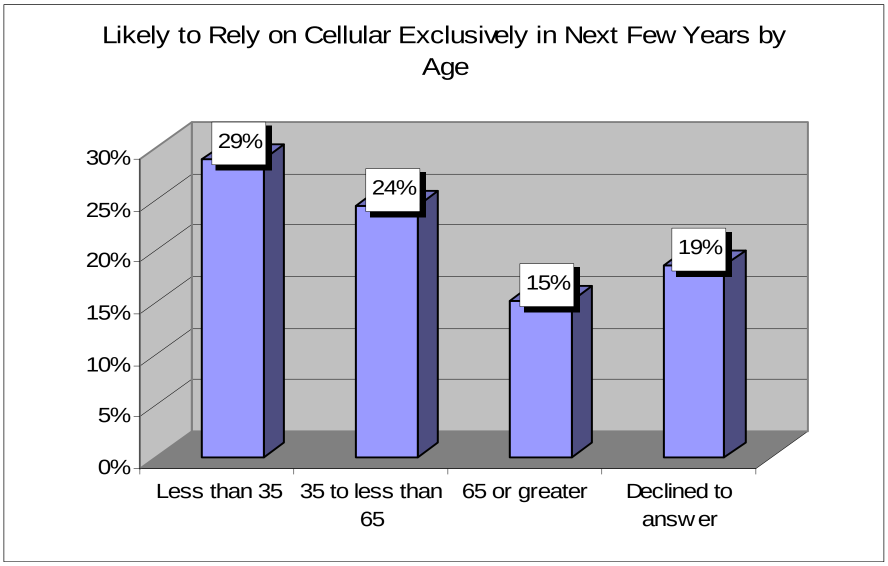
All respondents were asked: "Over the next couple of years, how likely is it that you will consider disconnecting your regular home telephone service and rely exclusively on using your cell phone?" A significant majority of those surveyed were unwilling to give up their traditional wire-line telephone service despite having knowledge of, and access to, suitable substitutes such as cellular, Internet or telephone service offered by their cable company. Still, an important finding is that 22% of the respondents indicated that they would consider disconnecting their home phone service and relying exclusively on cell phones.



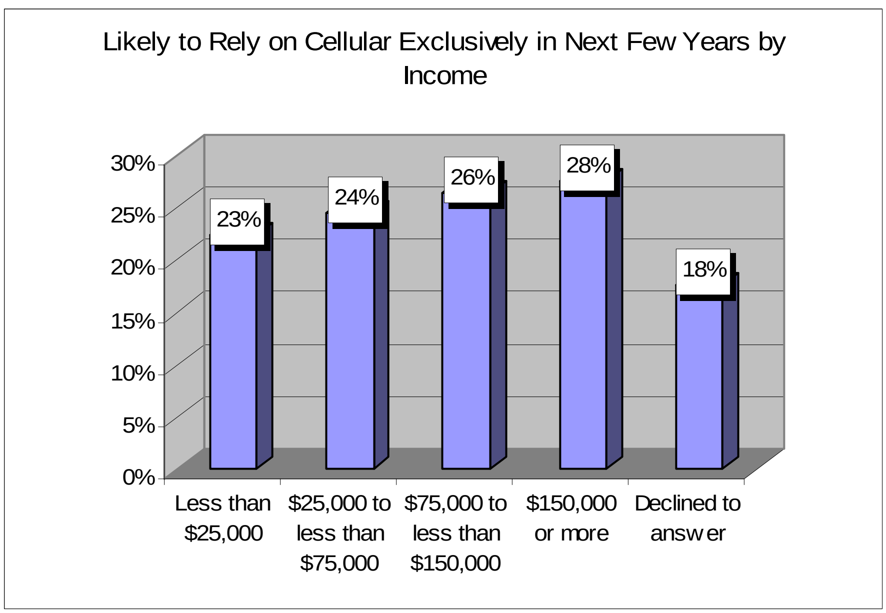
Respondents who indicated that they were not likely to disconnect their home phone service to rely on cell phones, where asked "why not?" Many of the respondents identified poor reliability of cell phone, static, bad service quality and poor reception, and bad sound clarity as reasons for not disconnecting their home phone service to rely on cell phones.

Since a clear majority of respondents (78%) indicated that they were not likely, over the next couple of years, to consider disconnecting their regular home telephone service to rely exclusively on using their cell phones, Staff concludes that wireless service is a complement to cellular service for most respondents, and a substitute for an expanding set of users.

Respondents in the “less than 35” age bracket are the most likely to rely exclusively on cellular service in the future. As shown in the chart below 29% of the respondents in the “less than 35” age bracket are likely to rely on cellular service exclusively in the future as compared to 15% of the respondents in the “65 or greater” age bracket.

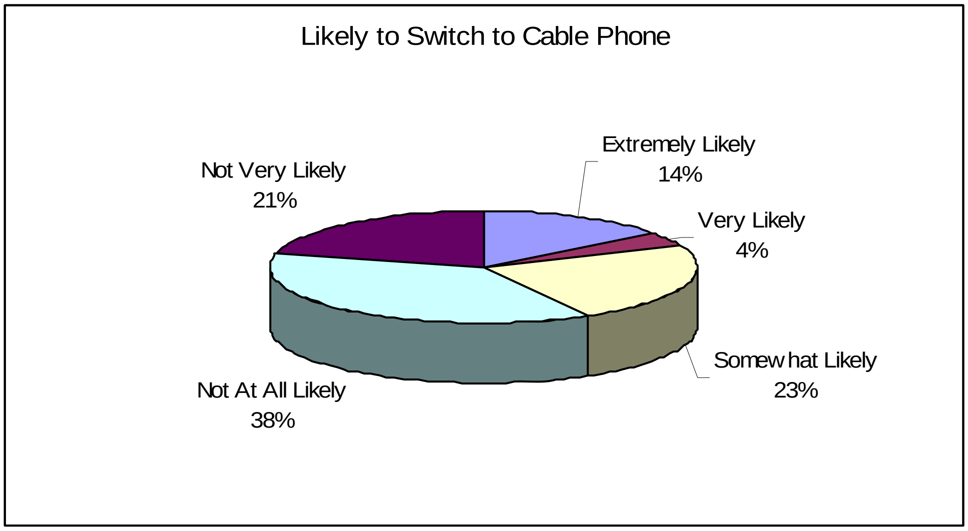


Respondents in the "$150,000 or more" income bracket are the most likely to rely exclusively on cellular service in the future. As shown in the chart below 28% of the respondents in the "$150,000 or more " income bracket are likely to rely on cellular service exclusively in the future as compared to 23% of the respondents in the "less than $25,000" income bracket.

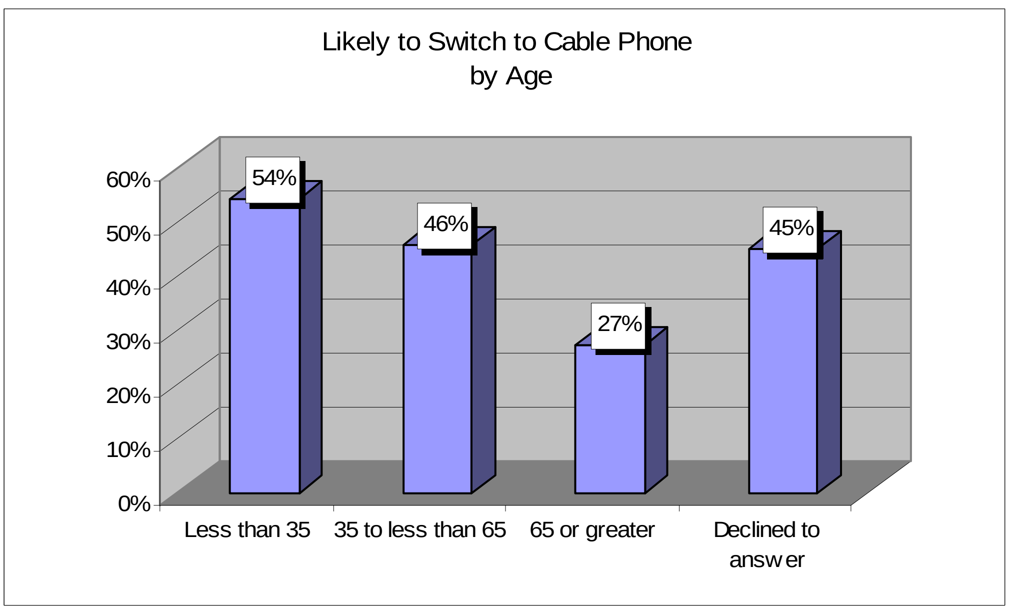


Switching to Cable Phone

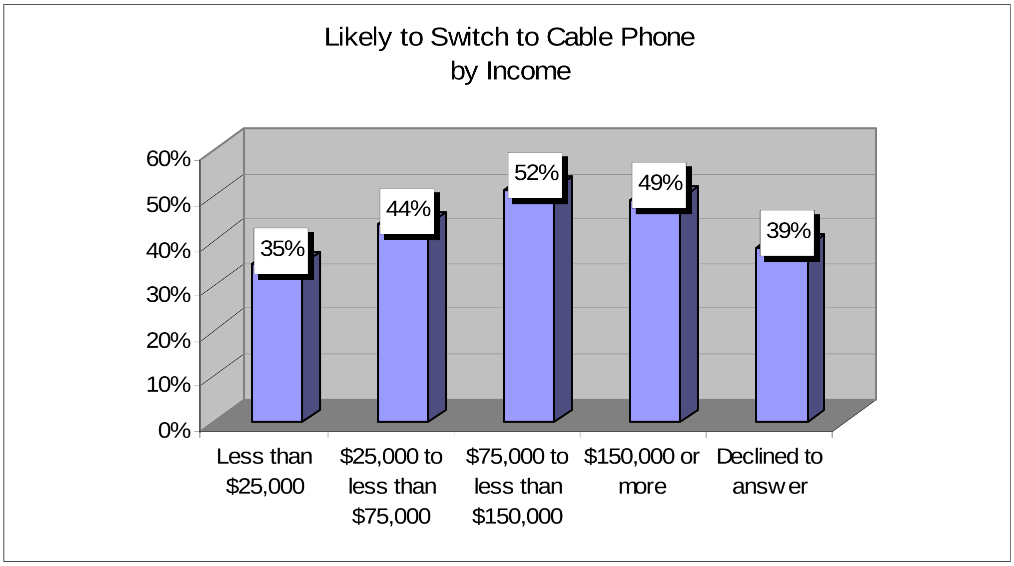
Respondents were asked how likely it is that they would consider switching their home telephone service to a telephone service provided by a cable company. Over 40% of the respondents are considering a switch to cable phone service. There were no significant differences for upstate and downstate respondents.



Respondents in the “less than 35” age bracket are the most likely to switch to phone service provided by the cable company in the future. As shown in the chart below 54% of the respondents in the " less than 35" age bracket are likely to switch to cable phone service as compared to 27% of the respondents in the “65 or greater” age bracket.



Respondents in the “$75,000 to less than $150,000” income bracket are the most likely to switch to phone service provided by the cable company in the future. As shown in the chart below 52% of the respondents in the “$75,000 to less than $150,000” income bracket are likely to switch to cable phone service as compared to 35% of the respondents in the "less than $25,000" income bracket.



Respondents who indicated that they are not likely to consider switching their home telephone service to a telephone service provided by their cable company, were asked "why not?" 31% of the respondents indicated that they are satisfied with their current service and/or service provider and they have no reason to switch. 14% prefer the reliability of a landline phone. 12% of the respondents do not have and do not want a cell phone. Finally 9% of the respondents indicated that they can not afford a cell phone.

Status of Competition

One of the goals of the survey was to get a snapshot of the current status of residential competition for voice communications services in New York State. The Comp III Staff White Paper estimated that 89.53% of New York State residences had intermodal platform options available to them. The survey responses can also be used to estimate the level of competition associated with intermodal platform options. Based on the responses to the survey, the Department estimates that 95% of survey respondents have intermodal options. Consistent with the methodology used in the Comp III Whitepaper for estimating the availability of intermodal platforms throughout the state, the Department assumes that a survey respondent has two competitive platforms available if the respondent currently subscribes to both cell and high-speed

Internet services or if the respondent is aware of the availability of both cell and high-speed Internet services in his or her service territory or subscribes to one platform and is aware of the availability of the other platform.

85.3% of the survey respondents, by responding “yes” to questions regarding whether they subscribe to or have available to them cellular and high speed Internet services, indicated they have two intermodal options available to them. 4.5% of the respondents indicated they do not have multiple intermodal platforms available to them, by responding “no” to questions regarding either a subscription to or the availability of cellular and high speed Internet services. Still, some respondents (10.2%) stated that they don’t know if they subscribe to or have available to them cellular and high speed Internet services. Based on the responses to questions on subscriptions to and the availability of cellular and high speed Internet services, Staff has developed two different approaches to estimate the percentage of New York residences that have two intermodal options available to them. The difference between the two approaches lies in the way the “don’t know” responses are handled.

The first approach discards all of the “don’t know” responses and uses only responses in which the respondents claimed to know the status of the availability of cellular and high-speed Internet service. Of the 89.8% of the respondents who know the availability of cellular and high speed Internet service in their area, 95.0% have two intermodal options available to them. The percentage of upstate respondents that have two intermodal options available to them is 91.1%; downstate is 97.4%.

The second approach makes use of the “don’t know” responses. Staff determined that 10.2% of the respondents did not know if two intermodal options were available to them. Staff also determined that most of the “don’t know” respondents reside in a zip code in which one or more survey respondents knew the status of intermodal options in their area. The second approach allocates each “don’t know” response based on the proportion of “yes” and “no” responses that were received from the other survey respondents within that same zip code. For example, if one “don’t know” response was obtained from a respondent from zip code x, and two “yes” and one “no” responses were obtained from other respondents in that same zip code, Staff classified two-thirds of the “don’t know” responses as “yes” responses and one-third as “no” responses. Using this approach, the Department estimates that 94.9% of the respondents have two intermodal platform options available to them. Staff estimates the percentage of upstate respondents having two intermodal options available to them is 91.7%; the downstate estimate is 96.8%. Using this approach, 74% of the “don’t know” responses were allocated to either “yes” or “no” since they came from zip codes in which other respondents had responded either “yes” or “no” to questions regarding the availability of cellular and high speed Internet service in their area. 26% of the “don’t know” responses (which is 2.7% of all of the survey responses) were ignored as they were from respondents who live in areas identified by zip codes, in which no other respondents responded “yes” or “no” to questions regarding the availability of cellular and high speed Internet service in their area.

The results from the two methods are summarized in the following table:

Estimate of New York State Residences with Two Intermodal Platform Options in Addition to Traditional Wire-Line Service			
Estimation Approach	Statewide	Downstate	Upstate
Ignore “don’t know” responses	95.0%	97.4%	91.1%
Allocate “don’t know” responses	94.9%	96.8%	91.7%

It is interesting to compare the survey-based approaches used here to the approach used in the Competition III Staff White Paper. The White Paper used knowledge obtained by Staff about the deployment of intermodal services in the various parts of New York State. If Staff could conclude that an intermodal option was available in some parts of a zip code area, Staff assumed that all telephone users in that zip code area had the intermodal option available to them. This approach yielded an all or nothing outcome for each zip code area: either all of its residents were assumed to have access to an intermodal platform or none did. This approach was necessary because of the lack of granular data regarding customer access to intermodal platforms.

The survey data, however, is more granular than the data available to Staff in the Competition III analysis. The survey data contains clear answers of not only the “yes” respondents, but also the “no” respondents. In many instances, both types of responses are present within the same zip code. This provides the ability to parcel out negatives and affirmatives within a single zip code, and therefore, avoid having to treat the zip code as all or nothing. On the other hand, the survey approach relies on respondents who may or may not have provided accurate answers about intermodal availability, and who, in many instances, simply responded “I don’t know.” This necessitates the use of approaches that address the way the “don’t know” answers get treated.

EXHIBIT A

SURVEY INSTRUMENT

ABVI – GOODWILL

[V] = VOLUNTEERED RESPONSE THAT IS NOT READ TO THE RESPONDENT

INTRODUCTION AND SCREENING

BASE: ALL RESPONDENTS

Q5 Hello, my name is ________________. I'm calling on behalf of the New York State Department of Public Service who is interested in how recent changes in the telecommunications industry have affected you. Are you 18 or older and have input on your telephone service? [IF NECESSARY: THIS IS A MARKET RESEARCH STUDY AND WILL NOT RESULT IN A SALES CALL]

1. Yes
2. No – Not Available [SCHEDULE CALL BACK]
3. No – Refusal [TERMINATE]

[EXPLANATION IF NECESSARY: The New York State Department of Public Service oversees the telephone services industry in New York State. Your answers to this survey will impact decisions made by the New York Department of Public Service and are strictly confidential.
We'd like to begin by understanding the types of telephone and cable television services you currently have in your household.]

BASE: ALL RESPONDENTS

Q10 What company provides your residential telephone service? [DROP DOWN LIST]

Q10a How satisfied are you with your residential telephone service? [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

BASE: ALL RESPONDENTS

Q20 Regarding your residential telephone service, how satisfied are you with the choices you have in terms of the companies to choose from? [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

BASE: ALL RESPONDENTS

Q25 Regarding your residential telephone service, how satisfied are you with the choices you have in terms of the calling plans to choose from? [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

BASE: ALL RESPONDENTS

Q30 Do you currently have a cellular phone?

1. Yes [CONTINUE Q30A &Q30B, Q30c will be skipped)]
2. No [SKIP TO Q30C]

Q30a What company provides your cellular phone service? [DROP DOWN LIST]

Q30b How satisfied are you with your cellular phone service? [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

Q30c Is cellular phone service available in your area? [PICK ONE RESPONSE]

1. Yes
2. No [SKIP Q35 & Q40]
3. Don't Know [SKIP Q35 & Q40]

<u>BASE: ALL RESPONDENTS</u>

Q35 Regarding cellular phone service, how satisfied are you with the choices you have in terms of the companies to choose from? [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

<u>BASE: ALL RESPONDENTS</u>

Q40 Regarding cellular phone service, how satisfied are you with the choices you have in terms of the calling plans to choose from? [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

<u>BASE: ALL RESPONDENTS</u>

Q55 Do you currently have high-speed cable modem or DSL Internet service?

1. Yes [CONTINUE Q55A & Q55B, SKIP Q55C]
2. No [SKIP TO Q55C]

Q55a What company provides your high-speed Internet service? [DROP DOWN LIST]

Q55b How satisfied are you with your high-speed Internet service? [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

Q55c Is high-speed Internet service available in your area?

1. Yes
2. No [SKIP Q60 & Q65]
3. Don’t Know [SKIP Q60 & Q65]

BASE: ALL RESPONDENTS

Q60 Regarding high-speed Internet service, how satisfied are you with the choices you have in terms of the companies to choose from? [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

BASE: ALL RESPONDENTS

Q65 Regarding high-speed Internet service, how satisfied are you with the choices you have in terms of the plans to choose from? [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

BASE: ALL RESPONDENTS

Q70 Do you currently have cable television?

1. Yes [CONTINUE Q70A & Q70B then SKIP TO Q85]
2. No [SKIP TO Q75]

Q70a What company provides your cable service? [DROP DOWN LIST]

Q70b How satisfied are you with your cable service?   [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

BASE: ALL RESPONDENTS

Q75 Do you currently have satellite television?

1. Yes [CONTINUE Q75A & Q75B]
2. No [SKIP TO Q85]

Q75a What company provides your satellite television service? [DROP DOWN LIST]

Q75b How satisfied are you with your satellite television service? [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

BASE: ALL RESPONDENTS

Q85 Does the cable television company in your area also offer telephone service?

1. Yes
2. No
3. Not sure [V]

BASE: ALL RESPONDENTS

Q130 How familiar are you with Internet phone service? [READ LIST; PICK ONE RESPONSE]

1. Extremely familiar
2. Very familiar
3. Somewhat familiar
4. Not very familiar
5. Not at all familiar

BASE: ALL RESPONDENTS

Q45 Do you currently have Internet telephone service?   [PICK ONE RESPONSE]

1. Yes [CONTINUE Q45A & Q45B]
2. No [SKIP TO Q90]

Q45a What company provides your Internet telephone service? [DROP DOWN LIST]

Q45b How satisfied are you with your Internet telephone service?   [PICK ONE RESPONSE]

1. Extremely Satisfied
2. Very Satisfied
3. Somewhat Satisfied
4. Not Very Satisfied
5. Not At All Satisfied

SWITCHING

BASE: ALL RESPONDENTS

Q90 Now, I'd like to ask you a few questions about your experiences switching your services from one company to another. In the past year, have you switched …? [READ ITEM FROM LIST; RECORD ALL THAT APPLY]

1. Telephone service (land-line)
2. Cellular telephone service
3. Internet service connection
4. Television service
5. None of these [V]

Q90a (If Q90=5) In the past 5 years, have you switched…? [RECORD ALL THAT APPLY]

1. Telephone service (land-line)
2. Cellular telephone service
3. Internet service connection
4. Television service
5. None of these [V]

BASE: SWITCHED TELEPHONE SERVICE (Q90 or Q90a=1)

Q95 What would you say were the main reasons you decided to switch your **TELEPHONE SERVICE**? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of phone service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

BASE: SWITCHED CELLULAR TELEPHONE SERVICE (Q90 or Q90a=2)

Q105 What would you say were the main reasons you decided to switch your **CELLULAR TELEPHONE SERVICE**? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of phone service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

BASE: SWITCHED INTERNET SERVICE CONNECTION (Q90 or Q90a=3)

Q110 What would you say were the main reasons you decided to switch your **INTERNET SERVICE CONNECTION**? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

BASE: SWITCHED TELEVISION SERVICE (Q90 or Q90a=4)

Q115 What would you say were the main reasons you decided to switch your **TELEVISION SERVICE**? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

BASE: ALL RESPONDENTS

Q185 Now, I'd like you to think about how likely you are to switch services from one company to another in the next couple of years. Are you planning to switch your TELEPHONE SERVICES?

1. Yes
2. No
3. Not sure [V]

Q185a (Q185 = 1) What would you say are the main reasons you would consider switching your TELEPHONE SERVICE from one company to another? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of phone service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

Q185b (Q185 = 2 or 3) What would it take to motivate you to switch your TELEPHONE SERVICE from one company to another? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of phone service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

BASE: ALL RESPONDENTS

Q190 In the next couple of years, are you planning to switch your CELLULAR TELEPHONE SERVICES?

1. Yes
2. No
3. Not sure [V]

Q190a (Q190 = 1) What would you say are the main reasons you would consider switching your CELLULAR TELEPHONE SERVICE from one company to another? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of phone service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

Q190b (Q190 = 2 or 3) What would it take to motivate you to switch your CELLULAR TELEPHONE SERVICE from one company to another? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of phone service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

BASE: ALL RESPONDENTS

Q195 In the next couple of years, are you planning to switch your INTERNET SERVICES?

1. Yes
2. No
3. Not sure [V]

Q195a (Q195 = 1) What would you say are the main reasons you would consider switching your INTERNET SERVICE from one company to another? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of phone service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

Q195b (Q195 = 2 or 3) What would it take to motivate you to switch your INTERNET SERVICE from one company to another? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of phone service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

BASE: ALL RESPONDENTS

Q200 In the next couple of years, are you planning to switch your TELEVISION SERVICES?

1. Yes
2. No
3. Not sure [V]

Q200a (Q200 = 1) What would you say are the <u>main reasons</u> you would consider switching your TELEVISION SERVICE from one company to another? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of phone service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

Q200b (Q200 = 2 or 3) What would it take to motivate you to switch your TELEVISION SERVICE from one company to another? [DO NOT READ LIST; CODE RESPONSES INTO THESE CATEGORIES, RECORD ALL THAT APPLY]

1. Price
2. Customer service/customer billing
3. Innovation
4. Ease of purchase
5. One stop shopping
6. Reliability/quality of phone service
7. Some other reason [SPECIFY _______________]
8. Not sure [V]

<u>BASE: ALL RESPONDENTS</u>

Q120 Over the next couple of years, how likely is it that you consider disconnecting your regular home telephone service and rely exclusively on using your cell phone? [READ LIST; SINGLE RESPONSE]

1. Extremely likely
2. Very likely
3. Somewhat likely
4. Not very likely
5. Not at all likely

Q120a (Q120 = 4 or 5) Why Not? [text box]

<u>BASE: HAVE RESIDENTIAL PHONE SERVICE (Q10A OR Q15A = OTHER THAN CABLE COMPANY)</u>

Q125 Over the next couple of years, how likely is it that you consider switching your home telephone service to a telephone service, provided by your cable company? [READ LIST; SINGLE RESPONSE]

1. Extremely likely
2. Very likely
3. Somewhat likely
4. Not very likely
5. Not at all likely

Q125a (Q125 = 4 or 5) Why Not? [text box]

CLASSIFICATION

BASE: ALL RESPONDENTS

Q140 I'd now like to ask you a few questions for classification purposes only. These questions allow us to group responses and you will not be individually identified with your answers.

What is your Zip Code?

[RANGE 00000-19999]
|_|_|_|_|_|

BASE: ALL RESPONDENTS

Q145 What is your age?

__ 18 to 24
__ 25 to 34
__ 35 to 44
__ 45 to 54
__ 55 to 64
__ 65 years of age or older
__ Refused

BASE: ALL RESPONDENTS

Q160 How would you describe the area where you live? [READ LIST]

1. An urban or city area
2. A suburban area or small town
3. A rural area

BASE: ALL RESPONDENTS

Q165 Which of the following income categories best describes your total household income before taxes? [READ LIST]

1. Less than $15,000
2. $15,000 to less than $25,000
3. $25,000 to less than $35,000
4. $35,000 to less than $50,000
5. $50,000 to less than $75,000
6. $75,000 to less than $100,000
7. $100,000 to less than $125,000
8. $125,000 to less than $150,000
9. $150,000 to less than $200,000
10. $200,000 to less than $250,000
11. $250,000 or more
12. Decline to answer [V]

BASE: ALL RESPONDENTS

Q170 Are you of Hispanic origin, such as Latin American, Mexican, Puerto Rican, or Cuban?

1. Yes, of Hispanic origin
2. No, not of Hispanic origin
3. Decline to answer [V]

BASE: ALL RESPONDENTS

Q175 Do you consider yourself …? [READ LIST]

1. White
2. Black/African American
3. Asian or Pacific Islander
4. Native American or Alaskan native
5. Mixed racial background
6. Other race

BASE: ALL RESPONDENTS

Q180 On behalf of the New York State Department of Public Service, I'd like to thank you for helping us with this study. Thanks again! [DO NOT ASK, BUT RECORD RESPONDENT GENDER]

1. Male
2. Female