**FLORIDA PUBLIC SERVICE COMMISSION**

 **Gunter Building, 2540 Shumard Oak Blvd**

 **Tallahassee, Florida 32399-0862**

 **M E M O R A N D U M**

 **August 27, 2015**

**TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)**

**FROM: DIVISION OF APPEALS (CALDWELL)**

 **DIVISION OF COMMUNICATIONS (WILLIAMS)**

 **DIVISION OF RESEARCH & REGULATORY REVIEW (HEWITT)**

**RE: DOCKET NO. 950649-TP - REPORT OF INTERRUPTIONS**

**AGENDA: JUNE 27, 1995 - REGULAR AGENDA - RULE PROPOSAL - INTERESTED PERSONS MAY PARTICIPATE**

**RULE STATUS: PROPOSAL MAY BE DEFERRED**

**SPECIAL INSTRUCTIONS: I:\PSC\APP\WP\950649.RCM**

 **CASE BACKGROUND**

 Currently, Rule 25-4.023, F.A.C., requires the Commission to be informed of any major interruptions to service affecting an entire community or a substantial portion of a community as soon as the interruption comes to the attention of the utility. A report is to be made after the restoration of service. Only the local exchange companies are required to report such service outages.

 Code of Federal Regulations, Part 63.100, Notification of Service Outage, codifies FCC, CC Docket No. 91-273, Opinion and Order released December 1, 1993. This regulation requires interexchange companies to report to the FCC certain outages when specified criteria are met. (See the side-by-side comparison attached to the EIS, Attachment 2.)

 Under the current rule, when a major outage occurs, some companies are willing to provide the Commission with outage information, but others refuse stating that the current rule is vague. Customers ultimately look to the Commission when problems occur as the Commission is responsible for monitoring quality of service provided by the carriers, so the Commission should be prepared to provide answers.

 **DISCUSSION OF ISSUES**

**ISSUE :** Should the Commission propose the attached amendment to Rule 25-4.023, Florida Administrative Code, Report of Interruptions and a new Rule 25-24.476, F.A.C., Report of Interruptions?

**RECOMMENDATION:** Yes.

**STAFF ANALYSIS:** The proposed and new rules would expand the current requirement of telephone companies reporting major service interruptions to the Commission and also require interexchange carriers to report. (Attachment 1.) Time constraints on reporting would be imposed as well as a detailed interruption report. If the initial interruption report is filed orally or by facsimile, a written report must be submitted within three working days. Information as to the geographic location, estimated restoration or actual restored time, description of outage and estimated number of affected working access lines must be included in the report. For interruptions lasting longer than seven days, interim reports must be submitted every seven days.

 A final written report would be required within thirty days after full restoration of service. The final report is required to incorporate information from the initial reports and include actual restoration date and time, name of the affected central office(s), switch manufacturer, working access lines affected, number of customer reports received and a description of the cause of the outage. This information must be submitted by both the local exchange companies and interexchange companies. The information received will be used to monitor major interruptions.

 The Commission serves as a source of information for customers and the existing method of reporting interruptions is not very efficient nor does it provide the Commission with usable information. Because there are no set standards for reporting, the inconsistencies in the reports are not conducive for staff to conduct a thorough analysis or gather relevant information. The new rules will provide the Commission with another monitoring device to judge the reliability and maintenance of the quality of service. After analyzing the information received, the Commission can provide alternative forms of action which can be taken to help improve network reliability.

 In recent years, a number of major failures have interrupted vital communications services to thousands of subscribers. Interruptions have been attributed to hurricanes, fires, floods, terrorist bombings and attacks, loss of power, and earthquakes. Communication services are critical to national security, air traffic control, banking, and state and local emergency response agencies. Therefore, the Commission should at all times be fully informed with respect to outages affecting Floridians. The data required will be used to quantify the scope of the outage and measure the adequacy of the utility's response. Interexchange carriers also provide vital telecommunications services and therefore reporting requirements are proposed for them.

 **Economic Impact.** The economic impact on the agency, small LECs and nonfacility based IXCs, and other businesses would be minimal. However, large IXCs and LECs have indicated that significant costs and extensive resources would be incurred to comply with this rule. (Attachment 2) Sprint/Centel indicated that the cost of compliance would be $500,000 and an additional 12 employees would need to be hired. One IXC stated that it did not believe the cost justified the benefits received by the customers. GTE Florida indicated that it expected to incur related expenses but could not quantify those costs. In addition, it complained that certain thresholds were too low, such as an estimated time of restoral within 90 minutes of the outage; or exact numbers of lines affected should be used rather than a percentage of lines affected. Finally, several companies suggested that the Commission could be provided a copy of the report sent to the FCC to satisfy the reporting requirement.

 The rule and amendment proposed by staff account for the uniqueness of Florida's telephone industry and the disparity between the large and small local exchange service providers. Pursuant to the federal guidelines, the small providers would never have to report any outages. Through numerous workshops, staff attempted to obtain the concerns of the industry and incorporate suggestions where feasible.

**ISSUE :** Should the rules be filed for adoption with the Secretary of State if no comments or requests for hearing are filed?

**RECOMMENDATION:** Yes.

**STAFF ANALYSIS:** If no comments or requests for hearing are received, there is no need to return to agenda and the rules will be filed for adoption without change. The docket may then be closed.

Attachments:

1. Proposed New Rule and Rule Amendment

2. Economic Impact Statement with State/Federal Comparison Chart