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December 11, 2008 - VIA ELECTRONIC MAIL

Ann Cole, Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 080278-TL

> Joint Petition for show cause proceedings against Verizon Florida LLC for apparent violation of Rule 24-4.070, F.A.C., Customer Trouble Reports, and impose fines, by the Office of the Attorney General, Citizens of the State of

Florida, and AARP

Dear Ms. Cole:

Enclosed for filing is a letter from Verizon Florida LLC to Chairman Carter requesting permission to make a presentation at the December 16, 2008 Agenda Conference in the above matter. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this filing, please contact me at (678) 259-1449.

Sincerely,

s/ Dulaney L. O'Roark III

Dulaney L. O'Roark III

tas

**Enclosures** 

**Dulaney L. O'Roark III**Vice President & General Counsel, Southeast Region
Legal Department



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December 11, 2008

Chairman Matthew M. Carter II Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 080278-TL

Joint Petition for show cause proceedings against Verizon Florida LLC for apparent violation of Rule 25-4.070, F.A.C., Customer Trouble Reports, and impose fines, by the Office of the Attorney General, Citizens of the State of

Florida, and AARP

Dear Chairman Carter:

Verizon Florida LLC ("Verizon") respectfully requests that it be permitted to make a presentation at the December 16, 2008 agenda conference in response to Staff's recommendation in this docket. (A draft of the presentation is enclosed for reference.) Verizon would show that it has delivered strong network performance in Florida; that the Commission should not proceed with a case based on a rule that may soon change; that this case arises from regulatory maneuvering, not consumer complaints; that Verizon strives to achieve excellent service; and that the recommendation misconstrues Rule 25-4.070 and therefore reaches the wrong conclusions. Verizon estimates that it will take 20 minutes to make its presentation.

Verizon appreciates your consideration of this matter.

Sincerely

Dulaney L. O'Roark III

tas

**Enclosure** 



## VERIZON PRESENTATION ON SHOW-CAUSE PETITION

Docket No. 080278-TL December 16, 2008 Agenda Conference



### **BACKGROUND**

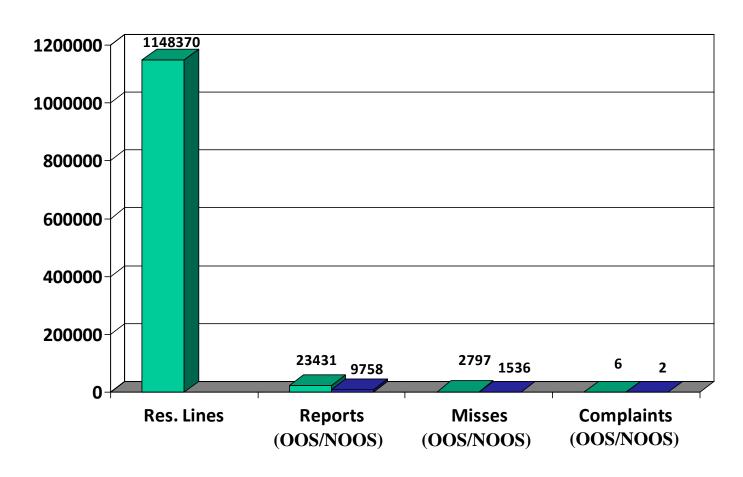
- March 2008: ILECs petition to modernize Commission rules
- May 2008: OPC, AG and AARP petition for show-cause order against Verizon
- June 2008: Verizon responds to show-cause petition
- December 2008: Staff issues recommendation on show-cause petition
- December 2008: Staff recommendation on service quality rules due 12/23



### VERIZON DELIVERS STRONG NETWORK PERFORMANCE

- Verizon averaged 1.15M residential access lines in 2007
- On an average monthly basis, Verizon:
  - → Received 23,431 OOS reports
  - → Completed 20,634 OOS repairs within 24 hours
  - → Received 9,758 NOOS reports
  - → Completed 8,222 NOOS repairs within 72 hours
  - → Received 6 complaints after OOS not repaired in 24 hours
  - → Received 2 complaints after NOOS not repaired in 72 hours
- Verizon has invested more than \$1B to upgrade its FL network
  - → Delivers tremendous benefits to FL consumers and state's economy
  - Enhances network reliability and service quality





Verizon's 2007 Average Monthly Network Performance



### THE COMMISSION SHOULD NOT OPEN A CASE ABOUT COMPLIANCE WITH RULES THAT MAY SOON CHANGE

- Current rules are outdated and ill-suited to a competitive market
- Other FL ILECs do not consistently achieve 95% for OOS and NOOS
- Competitors do not report OOS and NOOS performance
- At the least, the Commission should postpone decision until after it decides whether to adopt new service quality rules



### THIS CASE ARISES FROM REGULATORY MANEUVERING, NOT CONSUMER COMPLAINTS

- The Joint Petition was prompted by the ILECs' rulemaking petition;
   Petitioners made no allegations they received consumer complaints
- Verizon's 2007 complaint rate was the lowest of any ILEC for which complaints were logged
- The PSC logged about 1 network performance complaint in 2007 for every 10,000 Verizon access lines
- Few consumers who experience OOS and NOOS "misses" complain; most have wireless service and other competitive options
- From 2001 to 2007 between 82.5 to 85.6 percent of customers who received Verizon's repair service said they were satisfied or more than satisfied with Verizon's service.



### VERIZON STRIVES TO ACHIEVE EXCELLENT SERVICE

- Verizon's average OOS response time was less than 24 hours in 2007 and 2008
- Verizon's average NOOS response time was less than 48 hours both years
- Verizon provides explanations of "misses" with its quarterly reports; until recently, no one has suggested that these explanations have been unsatisfactory
- Verizon's \$1B+ investment in its FTTP network demonstrates its commitment to providing high quality, reliable service



### THE RECOMMENDATION MISCONSTRUES RULE 25-4.070

- Rule 25-4.070 provides that companies "shall make all reasonable efforts to minimize the extent and duration of trouble conditions that disrupt or affect customer telephone service."
- The rule establishes OOS and NOOS service objectives. A service objective is "[a] quality of service which is desirable to be achieved under normal conditions." Rule 25-4.003(46).
- In contrast, a "service standard," is defined as "[a] level of service that a telecommunications company, under normal conditions, is expected to meet in its certificated territory as representative of adequate services." Rule 25-4.003(46).
- The OOS and NOOS service objectives do not state absolute requirements, but desirable goals that companies should seek to achieve under normal conditions.
- The recommendation incorrectly interprets the rule to impose nearly absolute requirements and therefore reaches the wrong conclusions.

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that copies of the foregoing were sent via electronic mail on December 11, 2008 to:

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s/ Dulaney L. O'Roark III