

JEFF ATWATER
President of the Senate



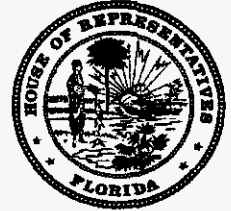
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LARRY CRETUL
Speaker of the
House of Representatives



August 4, 2009

RECEIVED-FPSC
09 AUG -4 PM 2:51
COMMISSION
CLERK

Anne Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Confidential Filing, Docket No. 080278-TL

Dear Ms. Cole:

I am forwarding for filing in docket 080278-TL the original and 15 copies of the redacted testimony of Earl Poucher. We are in discussions with Verizon about the validity of a number of their claims of confidentiality regarding this testimony and are working with Verizon to resolve our differences. If we reach an agreement with Verizon, we will file amended redacted testimony. Otherwise, we will be filing formal objections to many of the redactions made by the company.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Thank you for your attention to these matters. Please call if you have any questions.

COM 5
ECR
GCL 3
OPC
RCP
SSC 1
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CLK 1

Sincerely,

Charlie Beck
Deputy Public Counsel

CJB:bsr

DOCUMENT NUMBER-DATE

07993 AUG-4 09

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Joint Petition for show cause)
Proceedings against Verizon Florida LLC for)
apparent violation of Rule 24-4.070, FAC,)
service availability, and impose fines, by the)
Office of the Attorney General, Citizens of the)
State of Florida, and AARP)
_____)

Docket No. 080278-TL

Filed: July 23, 2009

DIRECT TESTIMONY

OF

EARL POUCHER

ON BEHALF OF THE CITIZENS OF THE STATE OF

FLORIDA

PUBLIC VERSION

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

INDEX OF EXHIBITS
DIRECT TESTIMONY—R. EARL POUCHER
DOCKET NO. 080278-TL

EXHIBIT NAME	EXH. NO.
FLORIDA SERVICE OVERVIEW	REP-1 _____
"THIS HAS TO STOP NOW"	REP-2 _____
\$1.2M OVERRUN	REP-3 _____
"WE NEED TO DELIVER ON BUDGET"	REP-4 _____
STELLAR PERFORMANCE ON FiOS	REP-5 _____
SERVICE QUALITY 2001-2007	REP-6 _____

1 **DIRECT TESTIMONY**

2 **OF**

3 **Earl Poucher**

4 On Behalf of the Office of Public Counsel

5 Before the

6 Florida Public Service Commission

7 Docket No. 080278-TL

8

9 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS AND TITLE.**

10 A. My name is Earl Poucher. My business address is 111 W. Madison Street, Room
11 812, Tallahassee, FL 32399-1400. My title is Senior Legislative Analyst.

12

13 **Q. BY WHOM ARE YOU EMPLOYED?**

14 A. The Office of Public Counsel, State of Florida.

15

16 **Q. PLEASE GIVE US A SUMMARY OF YOUR EDUCATIONAL
17 BACKGROUND AND PROFESSIONAL EXPERIENCE.**

18 A. I graduated from the University of Florida with a Journalism degree. After
19 serving in the U.S. Marines for three years, I was employed by Southern Bell as a
20 supervisor-trainee. I retired from Southern Bell with 29 years of service. During
21 my career with Southern Bell, I held positions as Forecaster, Gainesville;
22 Business Office Manager, Orlando; District Commercial Manager, Atlanta;
23 General Commercial-Marketing Supervisor, Georgia; Supervisor Rates and
24 Tariffs, Florida; District Manager-Rates and Tariffs, Georgia; General Rate
25 Administrator—Southern Bell; Division Staff Manager—Business Services,

1 Georgia; Distribution Manager-Installation, Construction and Maintenance. I was
2 also assigned to AT&T in 1968 where I worked for three years as a Marketing
3 Manager in the Market and Service Plans Organization. I joined the Office of
4 Public Counsel in October 1991 as a Legislative Analyst and I am presently a
5 Senior Legislative Analyst.

6

7 **Q. HAVE YOU EVER TESTIFIED BEFORE THIS COMMISSION?**

8 A. Yes, I have. I have testified in Florida on behalf of Public Counsel numerous
9 times, including Docket No. 910725-TL (United Telephone), Docket No. 920188-
10 TL (United Telephone), Docket No. 920188-TL (GTE), Docket No. 920385-TL
11 (BellSouth), Docket No. 950699-TL (GTE), Docket No. 951123-TP (Disconnect
12 Authority), Docket No. 9708820-TI (Slamming), Docket No. 970109-TL ("I
13 Don't Care, It Doesn't Matter), and 991378-TL BellSouth. I also filed testimony
14 in Dockets No. 900960-TL (BellSouth), 910163-TL (BellSouth), 920260-TL
15 (BellSouth), 991376 (Verizon) and 990362-TI (Verizon), all of which were
16 settled. As an employee of Southern Bell, I testified in rate case and anti-trust
17 dockets before the Georgia and North Carolina Public Service Commissions.

18

19 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

20 A. The purpose of my testimony is to show that Verizon LLC willfully violated Rule
21 25-4.070, Florida Administrative Code, relating to the timely repair of telephone
22 trouble reports received from its customers during calendar year 2007 and the first
23 three quarters of 2008.

24 **Q. IN GENERAL TERMS, WHAT IS THE RECOMMENDATION OF THE**
25 **OFFICE OF PUBLIC COUNSEL?**

1 A. Verizon should be fined for its willful violation of Rule 25-4.070 which requires
2 repair of out of service (OOS) trouble reports and repair of non-out-of-service
3 (NOOS) trouble reports to be accomplished during certain time frames. The
4 company willfully violated Rule 25-4.070 262 times during 2007 and 194 times
5 during the first three quarters of 2008. It should be fined \$4,560,000.

6

7 **Q. PLEASE EXPLAIN WHAT FPSC RULE 25-4.070 REQUIRES**
8 **REGARDING THE REPAIR OF OUT-OF-SERVICE TROUBLE**
9 **REPORTS**

10 A. The PSC rule relating to repair service, Rule 25-4.070, requires that the company
11 repair telephone service that is reported by the customer to be out of service
12 (unable to make outgoing or receive incoming calls) to generally be repaired
13 within 24 hours following receipt of the report. During the relevant time periods
14 in this docket, local exchange telecommunications companies subject to the rule
15 are required to complete the repair of 95% of their OOS reports as reported each
16 month for large telephone exchanges, and quarterly for small telephone
17 exchanges.

18

19 **Q. ARE THERE ANY EXEMPTIONS FROM THE RULE?**

20 A. The company is exempted from the rule when it encounters emergency conditions
21 where more than 10% of its lines are affected, when customer action is
22 responsible for the outage, and when the trouble is determined to be beyond the
23 network interface in either inside wiring or equipment. In addition, the 24 hour
24 clock does not start for trouble reports received during non-working, Sunday
25 hours until Monday morning.

1

2 **Q. PLEASE EXPLAIN WHAT FPSC RULE 25-4.070 REQUIRES**
3 **REGARDING THE REPAIR OF NON-OUT-OF-SERVICE (NOOS)**
4 **TROUBLE REPORTS.**

5 A. The same rule that applies to OOS trouble reports is applicable for trouble reports
6 received when the customer reports static on the line or other NOOS problems,
7 except companies subject to the rule are allowed 72 hours to repair NOOS trouble
8 reports.

9

10 **Q. ARE ALL TELECOM COMPANIES IN FLORIDA SUBJECT TO THIS**
11 **RULE?**

12 A. No. These rules apply to all incumbent local exchange companies in Florida;
13 however, competitive local exchange companies (CLECs) and local exchange
14 companies that have agreed to provide Service Guarantee Programs as approved
15 by the FPSC are excluded. Verizon is required to comply with the rules because
16 the company has chosen not to offer Service Guarantees directly to its customers.
17 AT&T, Embarq and Windstream are exempt from the rule because they have
18 received approval to provide Service Guarantees to their customers.

19

20 **Q. WHY IS IT IMPORTANT THAT FLORIDA CUSTOMERS RECEIVE**
21 **REPAIR SERVICES THAT MEET OR EXCEED THE FPSC**
22 **OBJECTIVES?**

23 A. Florida telephone customers, through their monthly rates, pay for reliable and
24 readily available communications services that include the quality of service
25 expectations as spelled out clearly in the FPSC's rules. The basic exchange

1 access line of today is used to carry an enormous variety of communications
2 services that customers depend upon daily. These services are essential to the
3 health, safety and welfare of Florida citizens. While these rules have been in
4 effect in some form since the 1960's, the importance of local exchange
5 telecommunications services in our daily lives has increased over the years,
6 whether the service is used for access to the internet, to talk to friends and
7 relatives or to report a life-threatening emergency via 911. In essence, the need
8 and the demand for reliable telecommunications services has increased over the
9 years and Verizon has an obligation to its customers to continue to provide
10 service that is consistent with the rules of the FPSC.

11

12 **Q. YOU MENTIONED THAT RULE 25-4.070 HAS BEEN IN EFFECT SINCE**
13 **THE 1960'S. HAS THE RULE REMAINED UNCHANGED SINCE THAT**
14 **TIME?**

15 **A. No, it has not. Several years ago when we filed service complaints against**
16 **AT&T, Embarq and Verizon, our office reached agreements with both AT&T and**
17 **Embarq to settle our complaints provided the companies would institute a Service**
18 **Guarantee Plan. Verizon did not follow suit, and instead settled its case with a**
19 **voluntary contribution to the state treasury. The Commission approved those**
20 **settlements and later adopted rules allowing all local exchange companies to**
21 **implement Service Guarantee Plans in lieu of compliance with the PSC rules. By**
22 **not adopting a Service Guarantee Plan, Verizon remained subject to all of the**
23 **Commission's rules governing service quality.**

24

1 In 2006, the Commission approved a rule change proposed by its staff that
2 changed the requirements for small exchanges that applied the 95% rule to
3 exchanges with less than 50,000 access lines on a quarterly basis, as opposed to a
4 monthly basis. This made it easier for a company to comply with the 95% rule.
5 Had the change not been approved, the number of violations we are discussing
6 here today would be substantially larger.

7

8 **Q. WHY HAVE YOU CONCLUDED THAT THE VIOLATIONS OF RULE**
9 **25-4.070 WERE WILLFUL?**

10 **A.** By willful violation, I mean that the company was aware that it was violating the
11 rules, that the rule violations were pervasive and long lasting (as opposed to
12 incidental and temporary), and that the company had the resources available to
13 comply. Let's take them one by one.

14

15 **THE COMPANY WAS WELL AWARE OF ITS VIOLATIONS:**

16 First, the company's own quarterly reports filed with this Commission are the
17 source of the rule violations that they themselves have documented and admit to.
18 These reports are liberally shared with upper management of Verizon as they are
19 produced. In addition, the company has multiple reports -- prepared daily, weekly
20 and monthly -- that they use to track their performance in meeting the PSC rules.
21 A good example is the quarterly report entitled "Southeast FL Service Overview",
22 that is circulated quarterly (Exhibit REP-1) (Russ Diamond Deposition Exhibit 2).
23 The first page of the quarterly report for the first quarter of 2008 shows that
24 Verizon FL cleared only 79% of its OOS troubles within the 24 hour standard, as
25 opposed to the 95% requirement, and that they cleared only 88% of their NOOS

1 troubles within the 72 hour time frame, as opposed to the 95% requirement. Page
2 3 of the report shows the monthly totals for both OOS and NOOS troubles since
3 January 2006.

4
5 **THE RULE VIOLATIONS WERE PERVASIVE AND LONG LASTING:**

6 We are discussing the violation of the PSC repair rules over a period of time that
7 lasted an entire year, and is continuing as we speak today. The violations
8 occurred throughout 2007, the subject of our original petition, and extend well
9 beyond that time frame into 2008. The violations occurred throughout the
10 Verizon operating territory in Florida that includes 24 separate exchanges.

11 On the date that Exhibit REP-1 was prepared, for customers who were calling
12 with an out of service trouble report, company repair personnel were telling
13 customers it would take [REDACTED] days to repair the problem (Exhibit REP-1, page 8).

14 For NOOS troubles, company personnel were telling customers it would take [REDACTED]
15 days to repair the problem. On that same day, the monthly OOS repair
16 performance for March stood at 49%, as opposed to their 95% mandate. Page 3
17 of the exhibit covers the monthly total company performance since January 2006.
18 It shows that the company's total performance was in compliance with the 95%
19 OOS requirement twice in 2006 and once in 2007. Thus, a cursory review of the
20 record clearly shows that the company was fully aware of its pervasive and long
21 lasting unsatisfactory performance that I would describe as egregious.

22
23 **THE COMPANY HAD THE RESOURCES AVAILABLE TO COMPLY:**

24 Verizon has fully complied with the PSC repair rules in the past and they are fully
25 aware of the operating conditions that prevail in Florida, namely wet weather,

1 frequent lightning, storms and hurricanes. Nothing in terms of natural phenomena
2 occurred in 2007 that would give the company a valid excuse for its failure to
3 comply with the rules. The company had adequate resources to continue to meet
4 its obligations to its basic customers and a revenue stream that could have ensured
5 quality service for its existing basic service customers had the company chosen to
6 provide it. Instead, the company chose to reduce its core technicians while it
7 diverted its resources to provision of new FIOS services. The decision to not
8 provide adequate staffing for the basic core organization was a budget decision
9 that sacrificed basic service quality for profits, while the company was knowingly
10 violating this Commission's rules. The bottom line appears to me to be that
11 Verizon Florida chose to risk a large fine from this Commission in order to
12 produce greater profit. That is what I call "willful."

13

14 **Q. WHY DO YOU SAY THAT IT WAS A BUDGET DECISION?**

15 **A.** Documents provided by the company show that corporate management desired to
16 comply with the Florida PSC repair rule. Each of the maintenance organization
17 managers had personal goals set at the beginning of the year that included
18 meeting or exceeding the standards for OOS and NOOS repairs. Plans were
19 agreed upon, *within the constraints of the budget, to achieve the required PSC*
20 *mandates.* However, in addition to its plans for core service operations, Verizon's
21 overriding plan was to transfer resources out of its core operations in order to
22 meet the demands of its new FIOS operations while adhering to budget restraints.
23 The result was an inadequate available workforce to meet the service needs of the
24 company's core customers. If there is any doubt regarding the Verizon priorities
25 —budget or service— just read the message to Russ Diamond from his boss, John

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DePhillips, dated February 25, 2009 which states [REDACTED]
[REDACTED]
[REDACTED] (Exhibit REP-2) (Diamond Deposition Exhibit 12)

Q. WHEN IT BECAME APPARENT THAT THE COMPANY DID NOT HAVE ADQUATE RESOURCES AVAILABLE TO MEET THE REPAIR STANDARDS, WHAT DID THE COMPANY DO?

A. A good example is the first quarter of 2008. Verizon overspent its core budget by [REDACTED] in January and February (Exhibit REP-3) (Diamond Deposition Exhibit 6). At the same time, they completed 94% of their OOS within the 24 hour standard in January and 90% in February. When they subsequently imposed stricter budgetary restraints in March 2008, they completed only 49% of their OOS repairs on time, the worst performance since January 2006. On March 22, 2008, the Senior Vice President of Operations, Suri Surinder, sent an email to John DePhillips, who was in charge of Florida core operations, which included the following comment: [REDACTED]
[REDACTED]
(Exhibit REP-4) (Diamond Deposition Exhibit 4) I interpret this exchange as an acknowledgement that the budget took priority over customer service.

Q. YOU STATED THAT THE COMPANY TRANSFERRED ITS CORE RESOURCES INTO THE FIOS OPERATION AND THAT'S WHY THE COMPANY WAS UNABLE TO MEET THE PSC REPAIR RULES. PLEASE EXPLAIN.

1 A. A good example is Tampa. Verizon "harvested" its most experienced technicians
2 from its core operations into its FIOS operations in order to maximize its
3 provisioning of FIOS services, which is a broadband internet/video service that is
4 competing with Brighthouse for the Tampa market. While the company was
5 failing in its core organization operations in 1st Quarter 2008, the company stated

6 [REDACTED]

7 [REDACTED]

(Exhibit REP-5, page 4)

8 Q. **WHAT IS THE SIGNIFICANCE OF THE FPSC INSTALLATION AND**
9 **REPAIR RULES AS THEY RELATE TO THE OTHER PSC SERVICE**
10 **QUALITY RULES?**

11 A. The repair rules that are the subject of this docket, along with the FPSC's
12 installation rules, impact the largest single workgroup in the Verizon organization.
13 The Verizon outside plant work force includes installers, repair persons, cable
14 technicians, air pressure technicians, and construction personnel that are coupled
15 together with the repair call center personnel, to meet the installation and repair
16 demands of the company's Florida customers. We are talking about hundreds of
17 millions of dollars of operation and maintenance ("O&M") expense that has a
18 major impact on the company's Florida profits. The FPSC rules that require
19 *timely installation and prompt repair are the most significant Florida rules from a*
20 *customer service perspective, as well as from a company perspective.*

21
22 Q. **IN GENERAL HAS THE COMPANY EVER BEEN ABLE TO COMPLY**
23 **WITH THE FPSC REPAIR RULES FOR EXTENDED PERIODS OF**
24 **TIME?**

1 A. Yes. If you review the company's performance over the past 20 years, you will
2 find numerous times when the company was fully compliant with the PSC's
3 repair rules for extended periods of time, with occasional lapses due to unusual
4 weather events. In 2000, the company settled with OPC, AARP, and the Attorney
5 General for four prior years of bad service with a \$2 million voluntary
6 contribution to the state. In 2001, Verizon completed 97% of its OOS repairs
7 within 24 hours in compliance with the FPSC rule and 99% of its NOOS (Service
8 Affecting) troubles. In 2002 and 2003, the company was also in compliance with
9 the PSC's OOS and NOOS rules. For detailed yearly installation and repair
10 performance of Verizon since 2001, see the exhibits attached to OPC's petition
11 for show cause dated May 15, 2008 (Exhibit REP-6). In 2004-2006, the company
12 was not in compliance; however, much of the bad performance can be attributed
13 to hurricane-related problems that were beyond the control of the company. Such
14 was not the case in 2007 and 2008. Specific data for the last quarter of 2008 is
15 not publicly available, since the company has declared this data to be confidential.
16 However, through the first three quarters of 2008, Verizon averaged 82%
17 compliance with the OOS 24-hour rule and 88% compliance with the NOOS 72-
18 hour rule.

19
20 **Q. IS IT FAIR TO RECOMMEND A PENALTY FOR VERIZON FOR ITS**
21 **FAILURE TO MEET THE FPSC REPAIR RULES WHEN THOSE SAME**
22 **RULES DO NOT APPLY TO AT&T AND EMBARQ?**

23 A. Yes. AT&T, EMBARQ, and most recently Windstream have adopted Service
24 Guarantee Plans approved by the Commission that provide substantial rebates
25 directly to customers when the companies fail to meet the standards established in

1 their guarantee plans. Since the implementation of those programs by AT&T and
2 EMBARQ, both companies together have provided cumulative customer rebates
3 amounting to over \$20,000,000 , which far surpasses the \$4.56 million fine we are
4 recommending for Verizon. When we first proposed the Service Guarantee
5 Program, we called it the Service Quality Incentive Program because it was
6 designed to provide an incentive for companies to provide good service and direct
7 customer benefits without the necessity of burdensome dockets such as the one
8 we are involved with here today. It is eminently fair that Verizon should be held
9 responsible for its failures in an amount that is comparable to the amounts already
10 paid by AT&T and EMBARQ to their customers.

11
12 **Q. DOES BAD WEATHER, RAIN AND LIGHTNING HAVE ANYTHING TO**
13 **DO WITH THE TROUBLE LOAD TO TELECOM COMPANIES IN**
14 **FLORIDA?**

15 A. Certainly. Traditional copper-based telecom infrastructure is highly susceptible to
16 the adverse effects of lightning and moisture. The Tampa Bay area has long been
17 known as the lightning capital of the U.S. and maybe the world. Florida
18 summertime weather is dramatically different than the dry and moderate days we
19 normally expect from October to April; therefore, the trouble load is much greater
20 in the summer months. In order to provide reliable and consistent telecom service
21 in Florida, you must have a well maintained, waterproof system that is highly
22 bonded and grounded to minimize the impacts of the bad weather, coupled with a
23 good maintenance strategy to deal with an uneven load. Over the years, all of the
24 piece parts of the telecom infrastructure have improved due to advances in
25 technology. However, failure to properly maintain the telecom infrastructure

1 simply aggravates the normal increase in the trouble load when, inevitably, bad
2 weather makes its visit. With proper maintenance, an adequate workforce and a
3 good strategy, there is no reason that today's service should not be superior to that
4 of yesterday.

5
6 **Q. WAS BAD WEATHER A SIGNIFICANT FACTOR THAT INFLUENCED**
7 **THE VERIZON VIOLATIONS IN 2007?**

8 A. No.

9
10 **Q. DOES THE COMPANY HAVE MOTIVATION TO DIVERT ITS**
11 **RESOURCES DEVOTED TO BASIC SERVICES INSTALLATION AND**
12 **REPAIR TO ITS FIOS OPERATIONS?**

13 A. Yes. It is no secret that Verizon has launched a major campaign to convert much
14 of its operating territories to its fiber-based FIOS service. FIOS has the potential
15 to provide higher revenues and greater profits to a company that is already the
16 second largest telecom company in the U.S. Since the Tampa market is one of the
17 major Verizon targets for FIOS, it is no wonder that there is clear motivation for
18 the company to maximize its expansion efforts through FIOS by taking away the
19 resources it has devoted in the past to its basic core customers. Verizon core
20 managers are regularly placed under the gun to reduce their budgets at the
21 expense of the company's service commitments to its core customers.

22 **Q. HOW MANY TIMES DID VERIZON VIOLATE THE 24 HOUR OOS**
23 **RULE IN 2007 and 2008?**

24 A. The company violated the FPSC OOS rule 119 times in 2007 and 100 times
25 during the first three quarters of 2008.

1

2 Q. HOW MANY TIMES DID VERIZON VIOLATE THE 72 HOUR NOOS
3 RULE IN 2007?

4 A. The company violated the FPSC NOOS rule 143 times in 2007 and 94 times
5 during the first three quarters of 2008.

6

7 Q. HOW DID YOU CALCULATE THE FINE YOU HAVE
8 RECOMMENDED?

9 A. I recommend that Verizon be fined \$10,000 per violation for each of its 262
10 violations in 2007 and each of its 194 violations in 2008.

11

12 Q. WHAT IS THE TOTAL AMOUNT OF THE FINE YOU RECOMMEND?

13 A. Consistent with the Commission's decision to issue a show cause for the company
14 to demonstrate why they should not be fined \$10,000 per violation for each of its
15 456 PSC rule violations, I recommend a fine of \$4,560,000.

16

17 Q. DOES THAT CONCLUDE YOUR TESTIMONY?

18 A. Yes.

CERTIFICATE OF SERVICE

I, **HEREBY CERTIFY** that a true and correct copy of the Public Version of the Direct Testimony of Earl Poucher has been furnished by U.S. Mail on this 4th day of August, 2009, to the following:

Adam Teitzman
Theresa Tan
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Verizon Florida Inc
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Charlie Beck
Deputy Public Counsel



EXHIBIT 2
4/18/08
Docket

Southeast

FL Service Overview

CONFIDENTIAL

Docket No. 080278-IL
Florida Service Overview
Exhibit No. (REP-1)
Page 1 of 9

4/3/2008

VZ 1336

Summary



Measurement	Target	Frequency	1Q Expected Outcome	1Q Performance Rating
Delayed Order Request	95% within 30 Days	Monthly	99%	
Repair Service Answer Time	90% within 55 Seconds	Monthly	90%	
Consumer Sales Answer Time	90% within 55 Seconds	Monthly	84%	
I & T/New Service Orders	90% within 3 Days	Monthly/Qtrly	89%	
Not Out of Service	95% within 72 Hours	Monthly/Qtrly	88%	
Out of Service	95% within 24 Hours	Monthly/Qtrly	79%	

CONFIDENTIAL

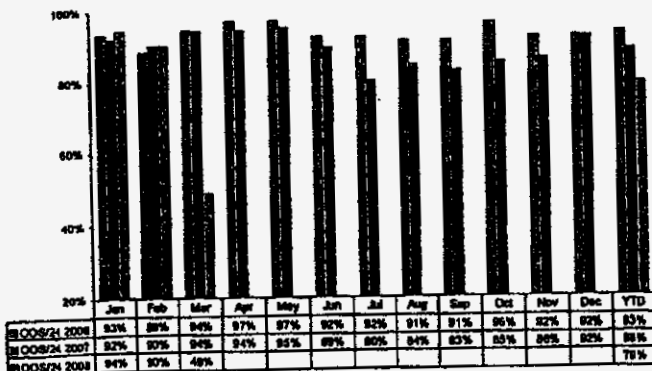
Docket No. 080278-TL
 Florida Service Overview
 Exhibit No. (REP-1)
 Page 2 of 9

VZ 1337

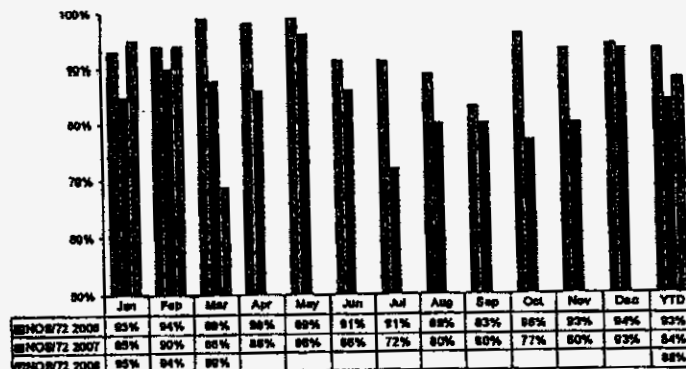
Trends



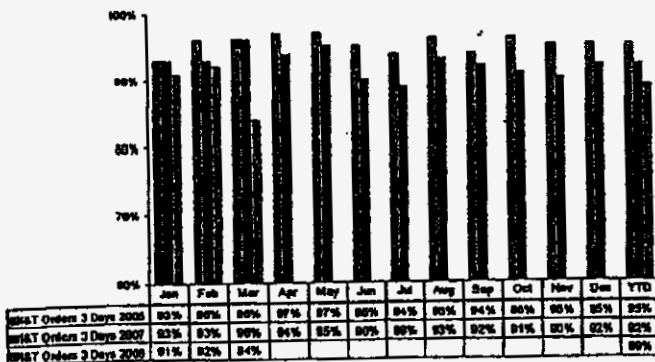
Customer Trouble Out of Service 24 hour Commitment 2006-2008
92% Objective



Customer Trouble Not out of Service 72 hour Commitment 2006-2008
88% Objective



Customer I & T Orders with 3 Day Commitment 2006-2008
88% Objective



REDACTED

CONFIDENTIAL

Docket No. 080278-TL
Florida Service Overview
Exhibit No. (REP-1)
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VZ 1338

Drivers



REDACTED

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VZ 1339

Recovery Plan



REDACTED

Docket No. 080278-TL
Florida Service Overview
Exhibit No. (RBP-1)
Page 5 of 9

VZ 1340

Q2 Projections



REDACTED

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Florida Service Overview
Exhibit No. ____ (REP-1)
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VZ 1341



Back Up

CONFIDENTIAL

Docket No. 080278-TL
Florida Service Overview
Exhibit No. (REP-1)
Page 7 of 9

VZ 1342

Overview



- **In Florida, PSC results are reported monthly or quarterly depending on the exchange size**
 - 7 exchanges have greater than 50K LIS and are reported monthly
 - 17 exchanges have less than 50K LIS and are reported quarterly

- **Out of Service – 95% within 24 hours**
 - Currently quoting average days out; Mar MTD 49%
 - 2006: 45% exchanges met monthly, 44% exchanges met quarterly
 - 2007: 29% exchanges met monthly, 14% exchanges met quarterly
 - 2008: 29% exchanges met monthly –
 - Jan met 3 out of 7 or 43%, Feb 1st – 16th met 4 out of 7 or 57%, Feb 16th – 29th met 1 out of 7 or 14%
 - 0 met in March

- **Not out of Service – 95% within 72 hours**
 - Currently quoting average days; Mar MTD 68%
 - 2006: 50% exchanges met monthly, 69% exchanges met quarterly
 - 2007: 20% exchanges met monthly, 8% exchanges met quarterly
 - 2008: 43% exchanges met monthly –
 - Jan met 5 out of 7 or 71%, Feb 1st – 16th met 7 out of 7 or 100%, Feb 16th – 29th met 1 out of 7 or 14%
 - 0 met in March

- **I & T Orders – 90% within 3 days**
 - Currently quoting DO average days; Mar MTD 84%
 - 2006: 100% exchanges met monthly, 94% exchanges met quarterly
 - 2007: 91% exchanges met monthly, 73% exchanges met quarterly
 - 2008: 86% exchanges met monthly –
 - Jan met 6 out of 7 or 86%, Feb 1st – 16th met 5 out of 7 or 71%, Feb 16th – 29th met 6 out of 7 or 86%
 - 0 met in March

REDACTED

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VZ 1343



REDACTED

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VZ 1344

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"This Has To Stop Now"
Exhibit No. ____ (REP-2)
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john.dephillips@one.verizon.com@VZNotes
02/25/2008 12:08 PM

To Russell B. Diamond/EMPL/FL/Verizon@VZNotes,
kwame.k.trotman@one.verizon.com@VZNotes
cc
bcc
Subject FW: 2/22-2/24 Operations Results Summary

REDACTED

EXHIBIT (40)
6/18/09 | 2
Diamond

VZ 547

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"This Has To Stop Now"
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REDACTED

VZ 548

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"This Has To Stop Now"
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REDACTED

VZ 549

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REDACTED

VZ 550

Docket No. 080278-TL
\$1.2M Overrun
Exhibit No. ___ (REP-3)
Page 1 of 3

From: "DePhillips, John F." <john.dephillips@one.verizon.com>
Sent: Sun, 16 Mar 2008 17:39:18 -0400
To: "Surinder, Narasimhan (Suri)" <narasimhan.surinder@one.verizon.com>
Subject: RE: Core load

REDACTED



REDACTED

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\$1.2M Overrun
Exhibit No. (REP-3)
Page 3 of 3

From: "Dephillips, John F." <john.dephillips@one.verizon.com>
Sent: Sun, 16 Mar 2008 17:23:49 -0400
To: "Surinder, Narasimhan (Suri)" <narasimhan.surinder@one.verizon.com>
Subject: Core load

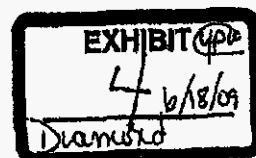
REDACTED

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"We Need To Deliver On Budget"
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From: "Surinder, Narasimhan (Suri)" <EX:JO=VERIZONONE/OU=FIRST
ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=NARASIMHAN.SURINDER>
Sent: Sat, 22 Mar 2008 16:55:19 +0000
To: Dephillips, John F.
Subject: Re: Core Update - 3/22/08

REDACTED



VZ 1919

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REDACTED

VZ 1920

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BROAD CONTEXT

REDACTED

EXHIBIT *Opt*
3 6/18/09
Diamond

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VZ 1595

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[REDACTED]

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[REDACTED]

BILLING ISSUES

[REDACTED]

TV FULFILLMENT ISSUES

[REDACTED]

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[REDACTED]

FIELD INTERVAL ISSUES

REDACTED

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REDACTED

SALES QUALITY & SALES/SERVICE BALANCE ISSUES

[REDACTED]

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VZ 1600

VERIZON

REPAIR QUALITY OF SERVICE

% OUT OF SERVICE (OOS) TROUBLES REPAIRED WITHIN 24 HRS

% SERVICE AFFECTING(SA) TROUBLES REPAIRED WITHIN 72 HRS

TOTAL PERCENT-ALL EXCHANGES

	2001	2001	2002	2002	2003	2003	2004	2004	2005	2005	2006	2006	2007	2007
	OOS	SA	OOS	SA	OOS	SA	OOS	SA	OOS	SA	OOS	SA	OOS	SA
JAN	98	99	96	100	95	99	97	99	92	87	93	93	92	85
FEB	98	99	97	100	97	100	96	98	97	98	88	94	90	90
MAR	96	98	98	100	95	99	96	96	92	86	94	99	94	88
APRIL	98	93	98	100	98	100	97	98	95	96	97	98	94	86
MAY	99	99	98	100	98	100	97	99	95	98	97	99	95	96
JUN	97	100	97	100	85	89	89	91	90	95	92	91	89	86
JUL	96	98	93	99	95	94	*	*	*	*	92	93	80	72
AUG	97	98	97	100	93	83	*	*	*	*	91	89	84	80
SEPT	96	99	96	99	96	90	*	*	91	95	91	83	83	80
OCT	98	100	96	100	97	99	*	*	90	96	96	96	85	77
NOV	98	100	96	99	95	98	*	*	92	96	92	93	86	80
DEC	97	100	86	88	97	99	90	93	92	95	92	94	92	93
AVG	97	99	96	99	95	96	95	96	93	94	93	94	89	84

Red indicates months when total statewide results failed to meet requirements of rules.

*Year 2004 and year 2005 data excludes hurricane-impacted months

Verizon Repair Rule Violations Hurricane Adjusted

