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September 19, 2016

VIA FEDEX

Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350

Re: I/M/O Verizon New Jersey Inc.'s Discontinuance of Land Line Telecommunications Maintenance, Facilities and Infrastructure BPU Docket No. TO15121325

Dear Secretary Asbury:

Verizon New Jersey Inc. ("Verizon") has reviewed its operations in Southern New Jersey to identify opportunities to enhance the customer experience for Verizon's customers in the 17 towns that filed the petition in the above matter. The service issues raised by some of our customers in Southern New Jersey have been and will continue to be a very high priority for Verizon because we are committed to providing quality reliable service to our customers every day. Our review focused on three areas of opportunity: (1) additional fiber investment under the BFRR program; (2) relieving congestion of the DSL (Digital Subscriber Line) network in several towns; and (3) additional improvements to the copper infrastructure, including repair and replacement of low performing copper cables and elimination of all identified open plant conditions. As discussed in more detail below, Verizon believes these initiatives will greatly improve the experience of Verizon's customers in Southern New Jersey. In summary, Verizon

plans to: (1) deploy fiber optic facilities to Lower Alloways Creek; (2) relieve DSL congestion at the remote terminals serving Estell Manor, Weymouth and Maurice River to improve the reliability of DSL service serving customers in these towns and enable additional customers in several towns to order DSL who were previously unable to get DSL because of congestion in Verizon's central offices (COs); and (3) reducing customer outages by making additional capital investments to repair or replace copper cables and eliminate open plant conditions that are service impacting.

FIBER DEPLOYMENT TO LOWER ALLOWAYS CREEK - BFRR

Verizon plans to deploy fiber to approximately 900 households in Lower Alloways Creek provided the town satisfies all the requirements of the Bona Fide Retail Request (BFRR) program, which requires Verizon to bring broadband service (but not necessarily fiber-based service) to this community. To date, the town has satisfied all the requirements except for the submission of one-year service commitments and \$100 deposits from 35 or more eligible customers. Verizon's fiber deployment to Lower Alloways Creek may begin as early as this year and will be completed within nine months, barring any unforeseen delays. Verizon's decision to deploy fiber to Lower Alloways Creek will further improve the resilience and reliability of Verizon's network infrastructure in this community. Verizon is aware that customers in Estell Manor and Weymouth are actively submitting BFRR applications and we

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¹ Under the BFFR program, Verizon is required to provision broadband to customers located in a census tract that satisfies the BFRR requirement within 9 months of receiving a minimum of 35 applications from residential or single line business customers who meet the qualifications: (1) no access to broadband alternatives, *i.e.*, no cable, no DSL, no wireless 4G service, (2) have signed a contract agreeing to at least one year of service, and (3) pay a \$100 deposit to be credited towards the service. The initial 9 month period for broadband deployment can be extended up to 6 months for certain delays beyond Verizon's reasonable control. *See BPU Stipulation of Settlement* at pp 3-4.

² Verizon will be sending out letters on September 19 to those eligible Lower Alloways Creek residents who submitted BFRR applications, requesting that they sign the contract and pay the \$100 deposit.

stand ready to provide broadband to additional towns in Southern New Jersey or other towns in the state that satisfy the BFRR requirements.

DSL PERFORMANCE AND RELIABILITY IMPROVEMENTS

At the beginning of 2016, Verizon began efforts across multiple states to address specific central offices (COs) where DSL bandwidth utilization was extremely high. This condition resulted in slow response times for some of our DSL customers, and, in some cases, customers were unable to order DSL as a result. Verizon also reviewed every complaint from Southern New Jersey residents that cited DSL related performance and reliability issues.

In three communities – Estell Manor, Weymouth and Maurice River - Verizon has installed additional equipment at remote terminals located in wire centers where bandwidth utilization was very high and affected DSL performance for some of our customers. This additional investment creates additional capacity for high speed Internet customers, bringing improved reliability and consistent service to over 450 customers in these three communities. The installation of additional equipment to ease the congestion in the COs serving Estell Manor, Weymouth, and Maurice River was completed in mid-August. Verizon subsequently began migrating existing DSL customers in each area onto the new equipment on order to balance the bandwidth usage provisioned over the remote terminals, resulting in more consistent DSL performance for our customers. Verizon has completed 233 migrations of existing DSL customers in the three towns so far (100 in Estell Manor, 90 in Weymouth, and 43 in Maurice River) and will be working to complete additional migrations by the end of September.

Verizon's efforts to ease congestion in the COs serving Estell Manor, Weymouth, and Maurice River also enabled approximately 400 addresses that were previously unable to order DSL to now order the service. Furthermore, Verizon's overall corporate initiative to maximize

DSL performance and availability in our COs has resulted in the qualification of approximately 2000 additional addresses that will now be able to order DSL in Upper Pittsgrove, Downe, Commercial, Mannington, Pilesgrove, and South Harrison. Verizon plans to notify these customers of the availability of DSL and how they can order the service by mailing postcards over the next few weeks.

CONTINUED INVESTMENT IN THE COPPER NETWORK IN SOUTHERN JERSEY

Verizon has invested approximately \$100 million dollars over the last two years in proactive preventative maintenance of the copper network in Southern New Jersey. Verizon continues to be focused on ensuring that outside plant facilities are protected from weather and other conditions that cause service outages or other service affecting problems. Since November 2015, Verizon Operations visually inspected the outside plant serving the 17 petitioning towns and corrected nearly 500 open plant conditions. At the August 4 hearing, Verizon was informed about an additional 141 plant conditions - 81% (114) of those additional conditions have been repaired; 14% (20) had no issues or where previously resolved; and 5% (7) were not Verizon facilities. Verizon will continue our efforts to identify "open plant" conditions and repair them immediately, in order to remove plant irregularities that result in loss of service and wasted dispatches.

In addition, the company is on target to spend approximately \$300,000 by the end of 2016 replacing copper cables or sections of cables, as part of our annual Infrastructure Improvement Program ("IIP"), in the Southern New Jersey towns of Estell Manor, Weymouth, Upper Pittsgrove, Pilesgrove, Upper Deerfield, Commercial, and Hammonton. Fourteen IIP projects have been completed, with one remaining project to be completed by the end of

September. The 15 IIP projects will improve service in towns located in Cumberland, Salem, Atlantic, and Cape May Counties.

In addition to the IIP projects, Verizon has spent in excess of \$1 million on Proactive Preventative Maintenance ("PPM") packages in Southern New Jersey through August 2016. These packages include splice rebuilds, terminal replacements, and other plant activity aimed at improving service for our customers. Recent customer complaints also helped Verizon identify additional areas of opportunity in Atlantic, Cumberland, Gloucester, and Salem counties to achieve service improvements, resulting in 74 new PPM packages which have all been completed. Verizon will continue to engage in proactive analysis of cable conditions in the Southern New Jersey towns through weekly open plant inspections and detailed review of trouble reports submitted by our customers in order to quickly pursue corrective actions to ensure reliable service for our customers in Southern New Jersey.

Verizon has always maintained a strong relationship with municipal leaders around the state. In February 2016, Verizon directly engaged each mayor, the Cumberland County Freeholder, and other local officials in order to directly address the service claims made in the petition. Verizon held in person meetings and monthly conference calls with mayors and conducted visits to Verizon work sites with mayors and other local officials to share information about ongoing maintenance occurring in the towns, to address any service issues, and to keep the lines of communication open between these communities and Verizon. These interactions between Verizon and the towns will continue.

Finally, the customer complaints aired at the August 4 hearing have all been addressed. Verizon conducted a thorough review of the 273 complaints received from various residents of Southern New Jersey communities and all complaints have been resolved, (27 of the complaints

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were not Verizon customers and 3 complainants provided inadequate information). And as

previously mentioned, we created 74 new PPM packages to directly address and resolve the

issues raised by our customers through their written and verbal complaints concerning their

telephone and DSL service.

CONCLUSION

Providing reliable service to our customers continues to be a top priority for Verizon, and

we have taken the service issues raised by some of our customers in Southern New Jersey very

seriously. The plan outlined above brings fiber to Lower Alloways Creek through the BFRR

process, addresses slow DSL response times, makes DSL available to more customers in several

towns, and accelerates our copper investment and maintenance efforts in all 17 South Jersey

towns. Verizon will continue to take steps to improve plant conditions and decrease trouble

reports in Southern New Jersey by utilizing all our resources to target problem areas. We know

that providing the best customer experience is what we need to do in order to retain customers in

a highly competitive environment.

Very truly yours,

Ava-Marie Madeam

cc: Pa

Paul Flanagan (by e-mail)

Lawanda Gilbert (by e-mail)

Harold Bond (by e-mail)

Service List (by e-mail)

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