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STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

July 24, 2019

TO: THE COMMISSION
FROM: OFFICE OF TELECOMMUNICATIONS
SUBJECT: CASE 18-C-0219 - In the Matter of Quality of Service provided by Local Exchange Companies in New York State.

For information only. No Commission action is required.

**REPORT ON THE
SERVICE QUALITY OF LOCAL TELEPHONE COMPANIES DURING 2018
AND
COMMENDATIONS FOR EXCELLENT SERVICE QUALITY**

INTRODUCTION

This memorandum describes the service quality provided by facilities-based local exchange carriers in 2018 as measured against the Commission's Telephone Service Standards (Service Standards) contained in 16 NYCRR Part 603 and described in the Telecommunications Service Quality Uniform Measurement Guidelines (service quality guidelines).¹ In addition, this memorandum includes recommendations by the Office of Telecommunications regarding the Commission's Telephone Service Quality Commendation Program.

SUMMARY AND RECOMMENDATION

Telephone Service Quality Performance

For the year ending December 31, 2018, Staff reviewed the service quality of 61 local telephone companies, 39

¹ Case 97-C-0139, Revised Telecommunications Service Quality Uniform Measurement Guidelines, issued January 27, 2011.

incumbent local exchange carriers (ILECs) and 22 competitive local exchange carriers (CLECs). The service quality of Verizon New York Inc. (VNY) is reported separately to the Commission on a quarterly basis.

Service quality provided by the majority of ILECs and CLECs met the Commission's service standards during 2018. However, Staff is concerned with the performance of four Frontier companies - Citizens Telecommunications Company of New York, Inc. (Citizens); Frontier Telephone of Rochester, Inc. (Frontier Rochester); Frontier Communications of New York, Inc. (Frontier New York); and Frontier Communications of Ausable Valley, Inc. (Ausable Valley). The rate of consumer complaints received by the Department of Public Service (PSC Complaints) has significantly increased in the last several years for these companies. In addition, a review of company-provided initial data shows poor performance regarding repair duration for customers who lose service. Further, Staff has received an increasing number of complaints from local, county, and State government representatives and officials from first-responder organizations regarding network reliability and timeliness of repairs in the service areas of these companies.

Staff will request that Frontier Communications (Frontier) perform an analysis of its customer trouble report and timeliness of repair data at a level more geographically granular than the central office to identify the localized causes of recurring outages, and interview its local supervisors and technicians to help identify network plant/facility elements that are substantial contributors to poor network reliability performance. Staff will work with Frontier to review the findings of this data analysis and to develop a plan to resolve the recurring outages and will report to the Commission if further action becomes necessary.

Commendations for Excellent Service Quality

Staff recommends that a letter be issued to 49 local exchange entities listed on Attachment B (31 ILEC entities and 18 CLECs) for providing service quality exceeding the Commission's standards in 2018.

BACKGROUND

Service Standards Applicable to Telephone Corporations

The Service Standards require all local exchange carriers to report Customer Trouble Report Rate (CTRR) data.² Carriers with more than 500,000 access lines are required to report on other service quality metrics addressing such things as timeliness of repairs and installations, the responsiveness of customer call centers, and network call completion performance.

Each service standard specifies a minimum monthly performance level. For all service quality metrics subject to reporting, if an entity fails to achieve the threshold for the current month and any two of the previous four months (possibly indicating a recurring problem), a Service Inquiry Report (SIR) must be filed with Staff. In addition to basic information (e.g., service standard, entity, month), an SIR must include a description regarding the reason(s) for the threshold miss in each month covered by the SIR along with a narrative regarding corrective action(s) taken/to be taken and an estimate of when performance is expected to return to threshold level. While a single-month threshold miss may be relatively benign, a SIR failure is usually indicative of a problem needing attention.

² 16 NYCRR Part 603: Service Standards Applicable to Telephone Corporations.

While companies with more than 500,000 access lines in service³ must report on all service standards, companies with 500,000 or fewer access lines in service must report on only two CTRR service standards.⁴

The first CTRR service standard measures individual central office entity (i.e., a switch) performance and requires that each central office entity (COE) have a CTRR of less than or equal to 5.5 customer trouble reports per hundred access lines (RPHL) per month. The second measure, only applicable to companies with seven or more COEs, measures the companywide CTRR performance, and requires that at least 85% of a company's COEs have a CTRR of less than or equal to 3.3 RPHL in any given month.

While not a formal service standard, the Commission has adopted a PSC Complaint Rate guideline of 0.075 PSC Complaints per one-thousand access lines per year. These complaints are reported by customers directly to our Department and, as such, the PSC complaint rate is an independent measure of consumer satisfaction. Staff uses it as part of its evaluation of a company's overall service quality performance. The Telephone Service Quality Commendations Program

Since 1988, the Commission has recognized local exchange carriers that provide excellent service quality, and issues annual service quality commendations to those carriers. Because the size of the companies operating in the State varies

³ Verizon New York Inc. is the only local exchange carrier that currently has more than 500,000 access lines in service.

⁴ While companies with 500,000 or fewer access lines in service need to report only the CTRR service standards, they are required to obtain and retain the data necessary to calculate the monthly results for all eight service standards, and must make these available to Staff or the Commission upon request.

widely, for commendation purposes, the performance review of the larger telephone companies is disaggregated to the operating division level, allowing for a more thorough review of the smaller operating units within larger companies and placing them on a more equal footing with the smaller companies. Thus, the twelve operating divisions of VNY,⁵ the three operating divisions of Frontier Rochester,⁶ and the three operating divisions of Windstream New York Inc. (Windstream)⁷ are considered individually for commendation purposes.

Companies that meet the following criteria in a calendar year will receive a service quality commendation for that year:

1. 95% or more of all monthly CTRR measurement opportunities must be less than or equal to 3.3 customer trouble reports per hundred access lines (RPHL).⁸
2. An annual PSC Complaint rate of 0.075 complaints per one-thousand access lines or less.⁹

⁵ The 12 operating divisions are: Bronx, Brooklyn, Nassau, Suffolk, Mid-Manhattan, Midstate, North Manhattan, Queens, South Manhattan, Staten Island, Upstate North, and Upstate South. Verizon Access Transmission Services is the former MCI which was acquired by Verizon in January 2006 and is evaluated separately for commendation purposes.

⁶ East, West, and Suburban.

⁷ Fulton, Jamestown, and Red Jacket.

⁸ The commendation criterion significantly exceeds the standard CTRR of 5.5 RPHL per month or less.

⁹ Commendations are also granted in cases where a company has met the CTRR target and only one PSC complaint was charged against the company during the year under review. Under such circumstance with a single complaint, a company's PSC complaint rate per 1,000 access lines could exceed 0.075 PSC

3. Achievement of all applicable CTRR and PSC complaint rate targets associated with incentive plans, multi-year rate plans, mergers and asset transfers, and formal service quality proceedings, if applicable.
4. Notwithstanding achievement of the above measures, no separate service quality Commission action must have been taken against the company or operating division during the year.

DISCUSSION

Telephone Service Quality Performance

Summary

For the year ending December 31, 2018, Staff reviewed the service quality of 61 local telephone companies, 39 ILECs and 22 CLECs. The results of that examination are included in Appendix A.

The second column in Appendix A represents the performance of each company against the minimum standard that each COE achieve a CTRR of at or below 5.5 RPHL for each month of the year. A measurement opportunity is the CTRR at a given COE in a given month, and therefore a company's total number of measurement opportunities in a year are 12 (i.e., the number of months in a year) times its number of COEs. Column two of Appendix A shows the percentage of measurement opportunities where all of a company's COEs were at or below the minimum standard. All but seven ILECs and one CLEC achieved the minimum service requirement in 100% of their measurement opportunities.

Complaints per thousand access lines per year due to the company's small access line base. In such cases, a waiver is given for the single PSC complaint.

Ausable Valley had the lowest value in that column with 87.5% of its measurement opportunities met in 2018. In addition, one of its COEs had an SIR failure for the same metric in 2018, indicated in column five. Frontier Rochester met the minimum service standard in 98.6% of its measurement opportunities, but had two SIRs related to this metric, which might indicate a network problem. The remaining five ILECs that did not achieve 100% were in the 94+% - 99+% range, which absent other indicators to the contrary, may not be indicative of a network problem.

The third column in Appendix A presents, where applicable, a company's performance against the minimum standard that for a company with seven or more COEs, 85% or more of all COEs achieve a CTRR of 3.3 RPHL or less every month. The numbers represent the number of months that met the threshold for this service standard, by company, for 2018. As this service standard is on a monthly companywide basis, the number of measurement opportunities is 12, regardless of the number of COEs. Of the five ILECs subject to this standard, only Citizens met the standard during every month of 2018. Frontier Rochester met the standard in 11 out of 12 months and Frontier New York met it during nine months of 2018. Despite this, Frontier New York did have one SIR related to this metric. Taconic Telephone Corporation (Taconic) met the standard only five out of 12 months and had five related SIRs. Windstream met the standard during eight months but did have one related SIR. The four CLECs subject to this standard (AT&T, Choice One Communications of New York, Inc., MCI Metro Access Transmission Services d/b/a Verizon Access Transmission Services, and TC Systems) met it for every month during 2018.

The fourth column in Appendix A lists each company's PSC Complaint Rate for 2018, and as discussed above, although

there is not a formal standard, the Commission has adopted a PSC Complaint Rate guideline of 0.075 PSC Complaints per one-thousand access lines per year. During 2018, all but five ILECs and two CLECs had a complaint rate lower than the guideline. Of the five ILECs with a complaint rate above the guideline, three were Frontier companies (Citizens, Frontier NY, and Frontier Rochester) and are discussed below. Berkshire Telephone failed to meet this guideline but its performance in the formal metrics do not indicate a need for concern. Windstream failed to meet this guideline and as mentioned earlier has an SIR related to the companywide CTRR metric and is discussed below. In addition, Broadview Networks, Inc. and Choice One Communications of New York, Inc., both CLECS, missed the PSC guideline.

Frontier Communications

Frontier serves approximately 221,000 access lines throughout the State via 211 switching office entities, representing approximately 7.9% of the total access lines in the State. However, like most ILECs, Frontier continues to lose traditional access lines, which it attributes to increased competition from VoIP and wireless providers that are now serving Frontier's service territory. During 2018, Frontier lost approximately 30,000 access lines.

Frontier has a total of seven ILEC affiliates and one CLEC. The ILEC entities consist of Frontier Rochester, Frontier New York, Ausable Valley, Frontier Communications of Seneca-Gorham, Inc. (Seneca-Gorham), Frontier Communications of Sylvan Lake, Inc. (Sylvan Lake), Citizens, and Ogden Telephone Company d/b/a Frontier Ogden Telephone Company (Ogden). Frontier Communications of America (FCA) is its CLEC.

Staff has become increasingly concerned with the service quality of Frontier, especially in its Citizens,

Frontier Rochester, Frontier New York, and Ausable Valley subsidiaries. The PSC Complaint rate has significantly increased in the last several years for these Frontier companies. In addition, Staff has responded to a significant number of network reliability complaints and inquiries from local, county, and State government representatives, including emergency response entities. These complaints include long repair durations and repeated out-of-service conditions, as well as Internet access and speed issues.

In response to the increase in PSC complaints and the number of inquiries from elected officials and emergency response entities, Staff reviewed the four Frontier companies' COE-level CTRR data and found that additional CTRR data is necessary to identify specific network reliability problems, as well as additional data related to the Commission's timeliness of repair service standards.

Staff will request that Frontier perform a review of its customer trouble reports at a more granular geographic level than the central office territory (e.g., tracking unit, cable route, circuit, street, etc.) to identify the localized issues and causes of recurring outages. Staff will also request that Frontier produce monthly data necessary to calculate the results for both the Percent of Out-of-Service Customer Trouble Reports Not Cleared within 24 Hours (OOS>24) and the Percent of Service-Affecting Customer Trouble Reports Not Cleared within 48 Hours (SA>48), on a COE basis, for each of the four companies during the most recent three years.

In addition to the production and analysis of more granular data, Staff will request that Frontier conduct interviews of its local supervisors (e.g., first level) and technicians to help identify network plant/facility elements

that are substantial contributors to poor network reliability performance.

Staff will work with Frontier to review the findings of this data analysis and identify the root causes of recurring outages, as well as develop a plan to improve network reliability performance. If Commission action becomes necessary, Staff will bring a recommendation for such action to the Commission at a later date.

Taconic Telephone Corp.

Staff is currently involved in a multi-month review of Taconic's performance following the recent completion of a fiber-to-the-premises network build completed with a New NY Broadband Plan grant¹⁰ and a new fiber-fed DSL buildout, to determine if these efforts will help resolve the company's network reliability issues.

Windstream

Staff is following up with Windstream on its single companywide CTRR SIR failure in 2018 and failure to meet the PSC Complaint Rate guideline to determine if more focus is needed.

Commendations for Excellent Service Quality

In 2018, out of a total of 77 companies and operating divisions considered for commendation, 49, or 64%, of them met the commendation criteria. This compares to 48 that met the criteria in 2017. Many of these companies have a long history of receiving commendations. Notably, Ogden Telephone Company, Hancock Telephone Company, Margaretville Telephone Company, Dunkirk & Fredonia Telephone Company, and Pattersonville

¹⁰ <https://nysbroadband.ny.gov/>

Telephone Company have received commendations from the Commission for each of the past 31 years, and 42 companies have received at least 15 service quality commendations since its inception. Appendix B lists the 49 companies or divisions (31 ILECs, 18 CLECs) that qualify for a 2018 service quality commendation and includes their underlying performance results for the year.

CONCLUSION

For the year ending December 31, 2018, Staff reviewed the service quality of 61 local telephone companies, 39 ILECs and 22 CLECs. Although the service quality provided by the majority of ILECs and CLECs met and often exceeded the Commission's service standards, Staff is concerned with the service quality of four Frontier companies - Citizens, Frontier Rochester, Frontier New York, and Ausable Valley. Staff intends to request additional and more granular data and will work with the company to improve its network reliability performance.

Staff has identified 49 companies or operating divisions listed on Appendix B that qualify for service quality commendations. Staff recommends that the Secretary to the Commission issue a letter to each commending them for excellent telephone service quality provided during 2018.

Respectfully submitted,

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Attachments

2018 Telephone Company Service Quality

Company Name	CTRR COE (% Made)	CTRR - Company (# Mos. Made)	PSC Complaint Rate	SIRs
ILECs				
Armstrong Telephone Company	100	na	0.000	none
Frontier Communications of Ausable Valley, Inc.	87.5	na	0.000	COE - 1
Berkshire Telephone	100	na	1.597	none
Cassadaga Telephone Corp.	100	na	0.000	none
Chautauqua & Erie Telephone Corporation	100	na	0.000	none
Citizens Telecommunications Company of Hammond, NY	100	na	0.000	none
Champlain Telephone Company	100	na	0.000	none
Crown Point Telephone Company	100	na	0.000	none
Chazy and Westport Telephone Company	97.2	na	0.000	none
Delhi Telephone Company	100	na	0.000	none
Deposit Telephone Company	100	na	0.000	none
Dunkirk and Fredonia Telephone Co.	100	na	0.000	none
Edwards Telephone Company	100	na	0.000	none
Empire Telephone	100	na	0.000	none
Fishers Island Telephone Corp.	100	na	0.000	none
Germantown Telephone Company,	100	na	0.000	none
Citizens Telecommunications Company of New York, Inc.	98.2	12	0.412	none
Hancock Telephone Company	100	na	0.000	none
Frontier Communications of New York, Inc.	99.17	9	1.025	Company - 1
Margaretville Telephone Company	100	na	0.000	None
Middleburgh Telephone Company	100	na	0.000	None
Newport Telephone Company, Inc.	100	na	0.000	None
Nicholville Telephone Company, Inc.	100	na	0.000	None

Company Name	CTRR COE (% Made)	CTRR - Company (# Mos. Made)	PSC Complaint Rate	SIRs
Frontier Ogden Telephone Company	100	na	0.000	None
Oneida County Rural Telephone Company	100	na	0.000	None
Ontario Telephone Company	100	na	0.000	None
Oriskany Falls Telephone Company	100	na	0.000	None
Pattersonville Telephone Company	100	na	0.000	None
Port Byron Telephone Company	100	na	0.000	None
Frontier Telephone of Rochester, Inc.	98.6	11	0.496	COE - 2
Frontier Communications of Seneca Gorham, Inc.	100	na	0.000	None
State Telephone Company	100	na	0.000	None
Frontier Communications of Sylvan Lake, Inc.	100	na	0.000	None
Taconic Telephone Corp.	94.2	5	0.000	Company - 5
Township Telephone Company	100	na	0.000	None
Trumansburg Telephone Company	100	na	0.000	None
Vernon Telephone Company	100	na	0.000	None
Alteva of Warwick	100	na	0.000	None
Windstream	97.4	8	0.331	Company - 1
CLECs				
AT&T	100	12	0.663	None
Broadview Networks, Inc	100	na	0.328	None
Choice One Communications of New York, Inc.	100	12	0.000	None
Conversent Communications of New York, LLC	100	na	0.000	None
Cablevision Lightpath, Inc.	100	na	0.000	None
DFT Local Service Corp.	100	na	0.000	None
Empire Access	100	na	0.000	None
Frontier Communications of America - NY	100	na	0.000	None
Global Crossing Local Services, Inc	100	na	0.000	None
PrimeLink, Inc	100	na	0.000	None
Magna5, LLC	95.8	na	0.000	None

Company Name	CTRR COE (% Made)	CTRR - Company (# Mos. Made)	PSC Complaint Rate	SIRs
MCI Metro Access Transmission Services d/b/a Verizon Access Transmission Services	100	12	0.000	None
PAETEC Communications, Inc.	100	na	0.000	None
Peerless Network of New York	100	na	0.000	None
RCN Telecom Services of New York, LP	100	na	0.000	None
Slic Network Solutions, Inc.	100	na	0.000	None
TC Systems	100	12	0.000	None
TVC Albany, Inc.	100	na	0.000	None
TW Telecom of New York	100	na	0.000	None
US LEC Communications, LLC d/b/a PAETEC Business Services	100	na	0.000	None
Westelcom	100	na	0.000	None
XO Communications Services, LLC	100	na	0.000	None

2018 Telephone Company Commendations

Company or Division	CTRR	PSC Complaint Rate	Incentive Plan
Alteva of Warwick	98.3	0	N/A
Armstrong Telephone Company	100	0	N/A
Cablevision Lightpath, Inc.	100	0.010	N/A
Cassadaga Telephone Company	100	0	N/A
Champlain Telephone Company	97.2	0	N/A
Chautauqua & Erie Telephone Corp.	95.8	0	N/A
Choice One Communications of New York	100	0	N/A
Citizens Telecommunications Company of Hammond	100	0	N/A
Crown Point Telephone Company	100	0	N/A
Delhi Telephone Company	100	0	N/A
Deposit Telephone Company	100	0	N/A
DFT Local Service Corp.	100	0	N/A
Dunkirk and Fredonia Telephone Company	100	0	N/A
Edwards Telephone Company	100	0	N/A
Empire Access	100	0	N/A
Empire Telephone Company	100	0.332*	N/A
Fisher Island Telephone Company	100	0	N/A
Frontier Communications of America, Inc.	100	0	N/A
Frontier Communications of Seneca-Gorham, Inc.	97.9	0	N/A
Germantown Telephone Company	100	0	N/A
Global Crossing Local Services	100	0	N/A
Hancock Telephone Company	100	0	N/A
Magna5, LLC	95.8	0	N/A
Margaretville Telephone Company	100	0	N/A
MCI Metro Access Transmission Services, d/b/a Verizon Access Transmission Services	100	0	N/A
Middleburg Telephone Company	100	0	N/A
Newport Telephone Company	100	0	N/A
Nicholville Telephone Company	100	0	N/A
Frontier Ogden Telephone Company	97.2	0	N/A

Oneida County Rural Telephone Company	100	0	N/A
Ontario Telephone Company	100	0	N/A
Oriskany Telephone Company	100	0	N/A
PAETEC Communications, Inc.	100	0	N/A
Pattersonville Telephone Company	100	0	N/A
Peerless Network of New York	96.7	0	N/A
Port Byron Telephone Company	100	0	N/A
PrimeLink, Inc	100	0	N/A
RCN Telecom Services of New York, LP	100	0	N/A
State Telephone Company	95.8	0	N/A
TC Systems	100	0	N/A
Township Telephone Company	100	0	N/A
Trumansburg Telephone Company	100	0	N/A
TVC Albany, Inc.	100	0	N/A
TW Telecom of New York	100	0	N/A
US LEC Communications, LLC d/b/a PAETEC Business Services	100	0	N/A
Vernon Telephone Company	95.8	0	N/A
Westelcom Communications	100	0	N/A
Windstream - Red Jacket	100	0	N/A
XO Communications	100	0.104*	N/A
Customer Trouble Report Rate (CTRR) = 95% or more of the total annual number of monthly measures of CTRR made at each central office achieve a CTRR of less than or equal to 3.3 RPHL.			
PSC Complaint Rate = annual complaints per 1,000 access lines - commendation level is 0.075 or less (* or only one PSC Complaint in the year; see Footnote 4 on Page 2).			
Incentive plan includes any service-related requirements of a multi-year rate plan, incentive plan, or Commission Order directing service improvements.			