ORIGINAL

STATE OF CALIFORNIA

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Ms. Magalie R. Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20024

Re: **Ex Parte Comments: In the Matter of– Telecommunications Service Quality Reporting 2000 Biennial Regulatory Review Requirements 2000 Biennnial, FCC Docket No. 00-229**

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List A B C D E

Dear Ms. Salas:

In accordance with Section 1.1206(b)(1) of the FCC's Rules, the California Public Utilities Commission (California) hereby submits for filing two copies of this presentation for inclusion in the public record in the above-referenced docket.

The FCC released a Public Notice seeking comment on its Notice of Proposed Rulemaking ("NPRM") regarding Telecommunications Service Quality issues. The People of the State of California and the Public Utilities Commission of the State of California ("California" or "CPUC") hereby respectfully submit comments to the Federal Communications Commission's ("FCC") on this NPRM.

The FCC's NPRM seeks comments on streamlining the existing service quality monitoring program by eliminating the bulk of the existing service quality reporting requirements. The FCC believes that these requirements no longer make sense in today's marketplace. However, the FCC suggests keeping or adding requirements to the program that will better serve the FCC's consumer protection goals. The FCC considers that its basic role in overseeing the quality of telecommunications service is to serve as an efficient clearinghouse for information. It believes that even in a robustly competitive environment, public disclosure of quality of service information can be an important way to safeguard consumer interests. The FCC also states that "[b]oth the states and the Commission need to work together to confront the challenges of service quality in a changing market place". The CPUC appreciates the FCC's commitment to work in partnership with state regulators on this matter.

However, the CPUC does have some serious concerns about the scope of the streamlining proposal set forth in the FCC's November 9, 2000 Service Quality NPRM. These concerns are set forth in detail below. First, the FCC notes that currently, in the Automated Reporting Management Information System ("ARMIS") 43-05 Service Quality Report, price cap LECs provide information to the FCC on more than 30 different measures of service quality. This report organizes service quality information into five tables: (1) installation and repair intervals for interexchange carriers ("IXCs"); (2) installation and repair intervals for local service customers; (3) trunk blockage; (4) total switch downtime and service interruption occurrences of

two minutes or more duration; and (5) federal and state service quality complaints. The FCC states that while consumers have been able to monitor trends using this information, much of it is technical in nature and may not be easily translated by consumers. The FCC, accordingly, proposes to eliminate most of these current categories, and to limit reporting of service quality information to those areas that the FCC believes are of particular interest to consumers. While the CPUC supports the FCC's goals, which are intended to help consumers make informed choices, the CPUC believes the FCC can not accomplish these goals by the wholesale elimination of the service quality information provided by the carriers to the FCC in the ARMIS report. More, rather than less information is needed to ensure that consumers make informed decisions.

The CPUC, other state commissions, interested parties, and consumers use the service quality information currently contained in the ARMIS report 43-05 to monitor trends in the quality of service provided by various carriers. This information is useful because factual continuity is essential in tracking a trend. Further, given that the industry is in the midst of a market transformation from regulation to competition, it would be disruptive to change the type of data that is currently found in the ARMIS report 43-05 for tracking trends. Once full competition is a reality, it would be appropriate to take another look at this issue. Additionally, this report is used to compare the quality of service provided by different carriers to their respective consumers. Unless comparisons can be done, consumers will not be able to compare the service quality record of a carrier for a given service to its competitors.

The CPUC believes that the cost to carriers for providing the information that the FCC currently requires is extremely small compared to the cost to consumers if they are forced to make uninformed decisions as a result of a lack of information. Therefore, the CPUC recommends retention of the ARMIS report 43-05. Indeed, in certain specific areas, the CPUC would urge the FCC to expand the scope of the reporting that carriers are required to make in their current ARMIS reports. See Appendix A for specific CPUC recommendations made throughout the comments.

Second, the FCC seeks comments on whether the airline industry's service quality program should be a model for the telecommunications program. The airline program imposes a limited set of reporting requirements. It is also tailored to take into account carrier size and market share, requiring mandatory reporting for the largest carriers and voluntary reporting for all other carriers.

The CPUC believes that in evaluating the quality of services provided by an industry, the nature and type of services provided by that industry must be carefully considered. The airline industry provides transportation services, which can be viewed as optional in nature, while the telecommunications industry must provide basic service. Accordingly, in our view, it would be a mistake for the FCC to adopt the model of the airline industry's service quality program.

I. CATEGORIES OF PERFORMANCE DATA

The FCC proposes to retain reporting for the following measures: (1) the percentage of installation appointments that are missed; (2) the time it takes to install service; (3) the percentage of lines that have problems, including out of service lines; (4) the time it takes to have

out of service lines repaired; (5) the percentage of repair appointments that are missed; and (6) the time it takes to repair service.

As is discussed in more detail below, the CPUC agrees that reporting should be retained for these six measures. However, the CPUC also believes that there are other important categories of service data for which the FCC should also continue to require reporting.

A. Missed Installations

A missed installation occurs when service is not provided on or before the date and time of the commitment with the customer. Data regarding the installation of services allow federal and state regulators, and consumers to evaluate the adequacy of the carrier's telephone plant facilities and workforce, and the carrier's success at both meeting customer expectations and their own commitments. The FCC proposes that carriers continue to report the number of missed installation commitments and the total number of installations that occur during the reporting period.

The CPUC believes that the missed commitments create an unnecessary hardship for consumers. Moreover, California law provides a specific remedy to consumers for missed installations.[1] Thus, the CPUC supports the FCC's proposal that carriers continue to report the number of missed installation commitments and the total number of installations that occur during the reporting period.

B. Installation Intervals

Under the FCC's current ARMIS program, price cap LECs report the average time to complete an installation. The FCC recommends that the carriers should continue the reporting of installation time because consumers should know how long it is likely to take a particular carrier to provide service. However, the FCC understands that an average completion time may not provide an accurate picture to consumers because some cases involving extreme delays in completing installations and thus they may statistically skew the reported data. The FCC, accordingly seeks comments on whether carriers should continue to report average time to install or to report the number of installation orders for service completed within a specified number of days and the total number of installation orders.

The CPUC agrees with the FCC that the carriers should continue the reporting of installation time because consumers should know how long it is likely to take a particular carrier to provide service. The CPUC also agrees that an average completion time may not provide an accurate picture to consumers.

California requires the carriers to report the number of installation service orders that are delayed over 30 days because of lack of carrier's plant facilities and/or workforce. Installation orders that are not completed within 30 days are referred to as held orders. The CPUC also recommends that the FCC require carriers to report the number of requests, orders and installations for basic service and the number of orders that were delayed over 30 calendar days. This added

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[1] See California Civil Code, Section 1722.

requirement will indicate to the consumers whether a particular carrier has adequate plant facilities and/or workforce to provide service in a reasonable time and also whether the carrier keeps its plant facilities up-to-date to meet its customers' demand.

C. Trouble Reports

The FCC proposes that carriers should report the number of initial trouble reports and the number of out-of-service trouble reports occurring within the reporting period, as well as the total number of access lines. The FCC seeks comments on whether the repeat and subsequent trouble reports should be included.

Currently, the carriers report the number of initial, repeat and subsequent trouble reports. The CPUC also believes that the FCC's current reporting requirements provide a better picture of the carriers' plant conditions, technical expertise of its workforce and timely response of the carrier to a consumers' trouble. The CPUC believes that consumers get more frustrated with repeat troubles on the same line than with initial trouble on a line. The CPUC, therefore, recommends that the FCC continue with its current requirements. Furthermore, in order to provide useful comparative information for consumers, the FCC should add a requirement that requires carriers also to report the total number of access lines.

D. Out-of-Service Troubles

An out-of-service trouble occurs when a consumer cannot make or receive calls. In addition to the inconvenience and potential negative financial impact of such an outage, it also raises safety concerns because the consumers cannot make 911 emergency calls when such trouble occurs. Under the current ARMIS requirements, carriers report average intervals for out-of-service troubles, as well as intervals for all other trouble reports. The FCC proposes only to collect information on average intervals for out-of-service troubles. The FCC believes that the consumers are more likely to care how long their telephone is out of service than, for instance, how long it takes to repair static on the line.

The CPUC agrees with the FCC that the consumers are likely to care a great deal about how long their telephone is out of service. The CPUC believes that clearing out-of-service troubles in a reasonable time is crucial for consumer safety.

E. Missed Repair Appointments

Accurate reporting data about repair of service allows the FCC, state commissions, and consumer groups to evaluate the adequacy of a carrier's telephone plant facilities and workforce, and to determine whether consumers are receiving appropriate corrective action when problems arise. Under the current ARMIS requirements, carriers only report repair intervals. Carriers do not report whether they keep commitments to the customers. A missed repair commitment occurs when a customer's telephone service trouble is not repaired on or before the date and time when the carrier commits to resolve the problem for the customer. Since the number of missed repair commitments has a direct negative impact on consumers, the FCC propose that carriers report the number of missed repair commitments, as well as the total number of repair commitments during the reporting period. The FCC seeks comments on this proposal.

The CPUC has received numerous complaints from consumers regarding missed repair commitments by carriers. California considers this to be a major indicator of consumer service issue and a significant tool in our consumer protection efforts. Thus, the CPUC fully supports the FCC's proposal that carriers should report the number of missed repair commitments, and the total number of repair commitments.

E. Repair Intervals

Under the current ARMIS program, price cap incumbent carriers report the average time for repairs. The FCC proposes to continue measuring the average intervals and seeks comments on whether it should require different reporting measures.

The CPUC believes that the current requirement that carriers report the average time to repair all basic service troubles is a very useful measure of service. The CPUC accordingly recommends that the FCC continue the current ARMIS program of requiring large carriers to report the average time for repairs.

F. Other Types of Information

The FCC seeks comments on whether there are other types of service quality information that consumers would find useful. For instance, the FCC seeks comments on whether carriers should report the length of time customers wait on hold before speaking to a customer service representative and the length of time a customer has to wait for a call back from a carrier.

1. Answer Time Performance

The CPUC proposes that the FCC should include in its service quality reporting a new requirement addressing "answering time performance". The service quality data regarding "answering time performance" is of particular interest to consumers.

Customers calling the telecommunications carriers can obtain required service through both automated systems and live attendants. Many customer inquiries can be adequately handled by the Automated Response System ("ARS") without the help of a live service representative. However, the CPUC has received numerous complaints from customers wishing to talk to a live service representative. These customers complain (1) that one must listen to a long menu before the option of talking to a live person is offered; (2) that after the option is offered it can take a long time before they reach a live service representative; and (3) that all too frequently, the consumer is disconnected without getting to talk to a live service representative.

To capture the performance of all forms of the ARS, the CPUC recommends the reporting of the following performance measures for the ARS billing and repair offices as a way to monitor answer time performance:

a) Total number of calls attempted;
b) Total number of calls answered by recorded information;
c) Total number of calls live-answered by attendants;
d) Total number of calls abandoned or dropped ;

e) Average Waiting Time for all calls answered live, as measured from the time the customer chooses to talk to a live attendant;
f) Total number of calls live-answered within 20 seconds, as measured from the time the customer chooses to talk to a live attendant.
g) Average Waiting Time as measured from the time a call from a consumer first reaches the automatic call answering system to the time an option to talk to a liver attendant is offered on the automatic call answering system menu.

The CPUC proposes (f) and (g) because it believes that the average answer time may not provide an accurate picture to consumers regarding the efficiency of carriers in answering consumer calls with a live service representative. The CPUC believes that all carriers (i.e., LECs, CLECs, or IXCs) who have business offices or repair offices, and do not qualify as small carriers, should report answer time performance data to the FCC.

II. BROADBAND SERVICES

The FCC's current ARMIS reports only collect information about service quality for basic voice telephony. The FCC is accordingly seeking comments on whether to gather information and reports about service quality in the provision of broadband and other advanced services. It has received consumer complaints suggesting, for instance, that the process of initiating xDSL service can be time consuming. The FCC seeks comments on what information in this area consumers would find useful. The FCC's goal is to reflect a changing marketplace, without unduly burdening carriers with new requirements.

The FCC is not aware of any systematic source of service quality information on xDSL or other advanced services. As are the states, the FCC is particularly interested in the development of new technologies and new services. In its Local Competition and Broadband Data Gathering Program, the FCC is undertaking efforts to better understand the provision of new technologies and services. However, the data collected under the Local Competition and Broadband Data Gathering Program does not provide information on the service quality of broadband services.

Currently, the demand for new broadband services is on the rise. The higher speed broadband services are generally used by large business consumers. However, xDSL service is becoming especially popular with residential as well as business consumers. The CPUC has received numerous complaints regarding installation and repair delays for the xDSL services. The CPUC believes that as the carriers become more experienced in installing and repairing xDSL services, complaints will decrease.

Currently, the CPUC does not have any service quality reporting requirements for such services, as xDSL service is considered a discretionary service at this time.

III. DISAGGREGATION OF INFORMATION

Currently, carriers that file ARMIS Report 43-05 are required to report installation and repair information separately for business and residential customers. The FCC states that a review of

the data filed reveals a different quality of service performance in the residential and business markets. Permitting carriers to aggregate business and residential customers into one class could provide a misleading picture of a carrier's performance with respect to each group of customers. For this reason, the CPUC agrees with the FCC that residential and business information reported should be reported separately.

To depict a carrier's service quality in urban and rural areas, the current ARMIS service quality reports disaggregate information as between "Metropolitan Statistical Areas" ("MSAs") and "Non-Metropolitan Statistical Areas" ("Non-MSAs"). The United States Telephone Association ("USTA") argues that a review of data filed to date in ARMIS shows no significant variance in performance for MSA and non-MSA areas. USTA proposes that the FCC no longer require carriers to disaggregate data into MSA and non-MSA categories.

The CPUC disagrees with USTA's proposal. The CPUC believes carriers will be inclined to provide a better quality of service to keep their customers in the areas where they experience some competition than in the areas where they do not have any competition. The CPUC believes that the urban areas (or MSAs) will have competition among telecommunications carriers sooner than in the rural areas (Non-MSAs). Accordingly, quality of service could suffer in non-MSAs, where there is little or no competition, if USTA's proposal is adopted. Therefore, the CPUC proposes that the current ARMIS service quality reporting of disaggregated information for MSAs and non-MSAs be continued.

IV. TYPE OF REPORTING ENTITIES

Currently, only price cap LECs' file the ARMIS 43-05 and 43-06 reports. The FCC does not collect service quality data from small incumbent LECs, including those serving rural areas, nor does it collect data from competitive LECs (CLECs). The NARUC White Paper advises that service quality data would be more meaningful for all interested parties, including consumers and state commissions, if all LECs – including CLECs – reported such data. The FCC has stated that if consumers had access to service quality data from all carriers providing local exchange service in their area, they would be in a better position to make an informed choice between, or among, carriers.

The CPUC agrees with the concerns raised in this regard by the FCC and by the NARUC White Paper.

V. FREQUENCY OF REPORTING

Currently, carriers subject to ARMIS 43-05 file their reports on an annual basis. In its White Paper, NARUC proposes that the FCC gather service quality information on a quarterly basis. The FCC seeks comments whether it would better serve its consumer protection goals to collect service quality information more frequently than once a year.

The state commissions require carriers to provide monthly service quality information on a quarterly basis to reduce the reporting burden. The CPUC believes that service quality information should be kept current and is more useful if it is provided more frequently. Thus, the CPUC believes the service quality information filed by carriers for the ARMIS report on a quarterly basis would provide a one-stop source of information for consumers and would facilitate their access to service quality information on a timely basis.

More specifically, the CPUC recommends that all carriers be required to provide information to the FCC on a uniform and quarterly basis, and be required to submit the service quality performance information separately for each state it serves. The FCC should require all carriers to post service quality reporting information on their web sites within 45 days after the end of each quarter, and require the large carriers to file their reports to the FCC within 45 days after the end of each quarter.

VI. PUBLIC DISCLOSURE OF SERVICE QUALITY DATA

Service quality information enables consumers to compare carriers in their area and make informed choices between, or among, carriers. The FCC seeks comment on whether an effective method of publicizing service quality data would be for carriers to post such data on their web sites. The FCC also seeks comment on whether carriers should be required to post on their web sites the number of complaints pending before the FCC and state commissions, and the number of issues raised before the federal and state regulators that have been referred to the carrier for further investigation and action. In addition, it seeks comment on whether other public disclosure methods are available for those without access to the Internet.

The CPUC believes that the carriers should be required to post service quality data on their web sites. The CPUC agrees with the FCC's proposal that the carriers should continue to file the service quality reports with the FCC as well.

The FCC should continue to be a central clearinghouse for service quality data. The CPUC, accordingly, recommends that all telecommunications carriers (i.e., large and small) be required to post on their respective web sites the number of complaints pending before the FCC and state commissions, stated separately by state, and the number of issues raised before the federal and state regulators that have been referred to the carrier for further investigation and action. In addition, the CPUC recommends that carriers should provide a hard copy of this information upon request to those customers without access to the Internet.

VII. Record Retention

Carriers that currently file ARMIS Report 43-05 data must retain the data for four years. The FCC seeks comment on how long the underlying data used to develop service quality reports should be retained and made available for inspection upon request by the FCC and state regulators.

The CPUC believes that the underlying data is very useful for developing trends regarding the quality of service provided by the carriers. The longer the underlying data is available from a carrier, the more reliable the FCC and the state's analysis of service quality performance trends will be for a given carrier. The CPUC believes that the current supporting data used to develop service quality reports should be retained for a minimum of four years, the current retention period. Also, these records should be made available for inspection by the public upon request to the FCC and/or state regulators.

VIII. ELIMINATION OF OTHER REPORTING REQUIREMENTS

A. Interexchange Carriers

In Table 1 of the ARMIS Report 43-05 Service Quality Report, the FCC currently collects information from the price cap incumbent LECs about the installation and repair of access services provided to interexchange carriers. In Table III of the same report, price cap carriers provide information about common trunk group blockage. The FCC seeks comments on whether it should eliminate these categories of information from its service quality reporting program. This information reports the quality of service given to interexchange carriers by incumbent LECs.

The CPUC believes that to provide good service quality to consumers, all phases of the network have to be maintained. In an era when Incumbent LECs will be competing with CLECs to who they provide access service, this data is essential to evaluate the continuing health of the market. Therefore, the CPUC recommends that the FCC continue receiving service quality information provided by the LECs in Table I and Table III of the ARMIS reports.

B. Network Reliability and Interoperability Council

Carriers currently report in ARMIS 43-05, Table IV, the number of switches serving specified number of lines and the number of times the switches are down for two minutes or longer. The number and duration of switch outages and interoffice transmission facility outages indicate the carrier's performance in providing continual access to full capabilities and benefits of the network. This information allows regulators to monitor and assess network reliability. The FCC is seeking comments on whether it should continue to collect information contained in Table IV of ARMIS Report 43-05.

The CPUC believes that the network reliability is important to consumers because switch or interoffice transmission facility outages affect service. More switches and transmission facilities are being added for voice and data transmission by existing carriers as well as by competitors. These system enhancements help in the transmission of high volumes of voice and data signals, but they may not increase network reliability. The switches are becoming larger and larger, and the networks are becoming more inter-dependent. Increasingly, the failure of a switch may affect a large number of consumers.

Thus, the CPUC believes that due to the competitive pressures in today's marketplace, the need for regulators to monitor network reliability has increased. Therefore, the CPUC recommends that the FCC continue to collect information contained in Table IV of ARMIS 43-05.

In its White Paper NARUC recommends that the FCC require carriers to report interoffice transmission facility outages occurring for 6 hours or more in duration, affecting 500 or more channels for ten minutes or longer, or an outage that totally isolates a switch or community. Such reports should include time, date, location, and duration of all interoffice transmission facility outages. In addition, such reports should annotate the cause of the facility outage, if known. Based on the experience in California, consumers are concerned with the network's