

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the
Commission's Own Motion into the Service
Quality Standards for All Telecommunications
Carriers and Revisions to General Order 133-B.

Rulemaking 02-12-004
(Filed December 5, 2002)

**DECISION MODIFYING DECISION 09-07-019
AND GENERAL ORDER 133-C****1. Summary**

This decision grants the California Association of Competitive Telecommunications Companies' Petition to Modify Decision 09-07-019 and General Order 133-C to limit reporting for customer trouble reports to local exchange services provided to residential and small business customers (those with five or fewer lines).

2. Background

In Decision (D.) 09-07-019, the Commission adopted minimum service quality measures and standards¹ and General Order (GO) 133-C.² One of the

¹ Measures are the aspects or features of service subject to evaluation and reporting. Standards are the minimum acceptable values that measures must meet to be in compliance with the Commission's requirements.

² D.09-07-019, *mimeo*, at Ordering Paragraph 1, p. 92; D.09-07-031 (correcting D.09-07-019 to include a reporting form), *mimeo*, Ordering Paragraph 1. GO 133-C's standards of service and minimum telephone service measures are effective January 1, 2010. GO 133-C, as adopted, is found at http://docs.cpuc.ca.gov/PUBLISHED/FINAL_DECISION/104429.htm and http://docs.cpuc.ca.gov/published/FINAL_DECISION/104853.htm.

adopted measures is customer trouble reports, which measures initial trouble in relation to lines or equipment and is expressed as the number of reports per 100 lines.³ The standard is six reports per 100 working lines for reporting units with 3,000 or more lines, eight reports per 100 working lines for reporting units with 1,001-2,999 working lines, and 10 reports per 100 working lines for reporting units with 1,000 or fewer working lines. This measure applies to General Rate Case (GRC) incumbent local exchange carriers (ILECs),⁴ Uniform Regulatory Framework (URF) ILECs⁵ and competitive local exchange carriers (CLECs).⁶

³ D.09-07-019, *mimeo* at pp. 42-43, Attachment 1 (GO 133-C), Section 3.3.

⁴ An ILEC is a local telephone corporation that was the exclusive certificated local telephone service provider in a franchise territory established before the Telecommunications Reform Act of 1996 and is now regulated under URF, as established in D.06-08-030. (*See* Public Utilities (Pub. Util.) Code §§ 234 and 1001.) The Commission regulates GRC ILECs through cost-of-service reviews as required by GO 96-B. These carriers are designated carriers of last resort per *Re Universal Service and Compliance with the Mandates of Assembly Bill 3643* [D.96-10-066] (1996) 68 Cal. P.U.C.2d 524, 625, which defined what is meant by basic telephone service for Universal Service funding.

⁵ URF carriers have full pricing flexibility over substantially all of their rates and charges. URF carriers include ILECs regulated through the Commission's uniform regulatory framework established in *Order Instituting Rulemaking on the Commission's Own Motion to Assess and Revise the Regulation of Telecommunications Utilities* [D.06-08-030] (2006) __ Cal. P.U.C. 3d __, competitive local exchange carriers and interexchange carriers.

⁶ This measure applies to CLECs with 5,000 or more lines. CLECs must obtain a CPCN to provide local telephone services in competition with ILECs in the service territories where ILECs formerly were the sole certificated provider. (*See* Pub. Util. Code §§ 234 and 1001 and *Re Competition for Local Exchange Service* [D.95-07-054] (1995) 60 Cal. P.U.C.2d 611.)

Reporting is required for local exchange services provided to residential and business customers.⁷

On August 12, 2009, the California Association of Competitive Telecommunications Companies (CALTEL) filed a Petition to Modify D.09-07-019 and GO 133-C. On September 11, 2009, Verizon California Inc. and its certificated California affiliates (Verizon) filed a response in support of CALTEL's petition. No party opposed the petition. Specifically, CALTEL seeks to conform the reporting limitation for customer trouble reports to local exchange services provided to small business customers, as adopted for other measures in

D.09-07-019.⁸ Small businesses are those that purchase five or fewer lines.⁹

3. Discussion

In D.09-07-019, the Commission retained the customer trouble report measure and standard found in GO 133-B and the Federal Communication Commission's Automated Reporting Management Information System (ARMIS). The Commission applied this measure to local exchange service provided to residential and all business customers, consistent with ARMIS and requirements in other states.¹⁰ By contrast, the Commission adopted the Division of Ratepayer Advocates' proposal to limit reporting for local exchange services provided to residential and small business customers for other measures, including

⁷ See D.09-07-019, *mimeo* at p. 43, Conclusion of Law 7 and Attachment 1 (GO 133-C), Section 3.3, p. 7.

⁸ See *id.* at p. 38.

⁹ *Id.*

¹⁰ See *id.* at p. 43, fn. 140.

installation intervals, installation commitments, and out of service repair intervals.¹¹ The Commission also excluded answer time reporting for trouble reports, billing and non-billing inquiries for any group of specialized business account representatives established to address the needs of a single large business customer or a small group of business customers.¹² The Commission did not address limiting reporting of customer trouble reports to local exchange services provided to residential and small business customers.

CALTEL and Verizon advance compelling reasons for expanding the small business limitation to customer trouble reports. CALTEL notes the goal underlying the revision of the Commission's reporting requirements was simplification.¹³ Consistent with that goal the Commission granted an exemption from reporting requirements for large business customers for most measures. CALTEL asserts requiring customer trouble reporting for local exchange services provided to all business customers is inconsistent with the Commission's determination that service quality reporting requirements should focus on small businesses.¹⁴ Verizon echoes CALTEL's arguments and asserts that larger businesses typically receive dedicated customer support in a highly competitive market, obviating the need for service quality measures intended for the mass market.

We have considered CALTEL and Verizon's arguments and find them persuasive. There is no basis for inconsistent treatment of large businesses in the

¹¹ See generally *id.* at Attachment 1, GO 133-C.

¹² *Id.* at p. 52.

¹³ CALTEL's Petition, p. 2.

¹⁴ *Id.* at p.3.

context of customer trouble reporting. The fact that the business local exchange market is competitive justified exempting large businesses from most service quality measure reporting. That rationale applies equally to exempting large businesses from customer trouble reporting. We will grant CALTEL's petition to modify and will limit reporting for customer trouble reports to local exchange services provided to residential and small business customers (those that purchase five or fewer lines).¹⁵

4. Assignment of Proceeding

Rachelle B. Chong is the assigned Commissioner, and Janice L. Grau is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. In D.09-07-019 and GO 133-C, Attachment 1 to D.09-07-019, as corrected in D.09-07-031, the Commission adopted a trouble report standard that applied to residential and business customers of no more than six trouble reports per 100 lines and up to ten trouble reports for smaller central offices.

2. In D.09-07-019 and GO 133-C, the Commission limited installation interval, installation commitments and out of service repair interval reporting to local exchange services provided to residential and small business customers. Small businesses are those that purchase five or fewer lines.

3. On August 12, 2009, CALTEL filed a Petition to Modify D.09-07-019 and GO 133-C to limit customer trouble reporting to local exchange services provided to residential and small business customers.

¹⁵ Revised Section 3.3 of Minimum Telephone Service Measures is attached to this decision as Attachment 1.

4. The petition to modify is unopposed.

Conclusions of Law

1. It is reasonable to limit the customer trouble report measure to local exchange services provided to residential and small businesses (those that purchase five or fewer lines).
2. It is reasonable to make this decision effective today in order to provide guidance to carriers who will commence reporting minimum telephone service measures under GO 133-C on January 1, 2010.

O R D E R**IT IS ORDERED** that:

1. The August 12, 2009, California Association of Competitive Telecommunications Companies' Petition to Modify Decision 09-07-019 and General Order 133-C is granted.
2. Customer trouble reports shall apply to local exchange services provided to residential and small business customers effective January 1, 2010. Small businesses are those that purchase five or fewer lines. The revisions to Section 3.3 of General Order 133-C are attached to this decision as Attachment 1.
3. Calaveras Telephone Company, Cal-Ore Telephone Co., Ducor Telephone Company, Foresthill Telephone Co., Happy Valley Telephone Company, Hornitos Telephone Company, Kerman Telephone Company, Pinnacles Telephone Co., The Ponderosa Telephone Co., Sierra Telephone Company, Inc., The Siskiyou Telephone Company, The Volcano Telephone Company, and Winterhaven Telephone Company, Citizens Telecommunications Company of California d/b/a Frontier Communications of California, Pacific Bell Telephone Company d/b/a AT&T California, SureWest Telephone, Verizon California Inc.

and the public utility telephone corporations that are Competitive Local Exchange Carriers (as maintained in the Communications Division “CLC” and “CLR” data base) are subject to the customer trouble report telephone service measure, as set forth in General Order 133-C and as modified in this decision.

4. Rulemaking 02-12-004 is closed.

This order is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT 1

ATTACHMENT 1**MINIMUM TELEPHONE SERVICE MEASURES**

- 3.3 Customer Trouble Reports – Applies to GRC ILECs and facilities-based URF Carriers with 5,000 or more customers and to any URF Carrier with fewer than 5,000 customers that is a COLR. Trouble reports apply to residential and small business customers (those that purchase five or fewer lines).
- a. Description. Service affecting, and out of service trouble reports, from customers and users of telephone service relating to dissatisfaction with telephone company services. Reports received will be counted and related to the total working lines within the reporting unit in terms of reports per 100 lines.
 - b. Measurement. Customer trouble reports received by the utility will be counted monthly and related to the total working lines within a reporting unit.
 - c. Minimum Standard Reporting Level. Report number of trouble reports per 100 working lines (excluding terminal equipment reports). Six trouble reports per 100 working lines for reporting units with 3,000 or more working lines, eight reports per 100 working lines for reporting units with 1,001-2,999 working lines, and 10 reports per 100 working lines for reporting units with 1,000 or fewer working lines.
 - d. Reporting Unit. Exchange or wire center, whichever is smaller. A wire center with fewer than 100 lines should be combined with other central offices within the same location. A remote switching unit with fewer than 100 lines should also be added to its host switch. URF CLECs that do not have exchanges or wire centers shall report at the smallest reporting unit. All reporting carriers shall submit the raw data included in the report.
 - e. Reporting Frequency. Compiled monthly, reported quarterly.

(END OF ATTACHMENT 1)