



# California Public Utilities Commission

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## News Release

FOR IMMEDIATE RELEASE

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### **PUC FINDS VERIZON GOOD, SBC GENERALLY GOOD ON SERVICE QUALITY**

SAN FRANCISCO, October 30, 2003 -- The California Public Utilities Commission (PUC) today found that Verizon offers very good service quality and SBC offers generally good service quality in most areas, but SBC has several important areas of weakness in the quality of specific residential services.

The PUC conducted a comprehensive investigation into the quality of telecommunications service offered to Californians by Verizon and SBC under the New Regulatory Framework (NRF) mode of incentive regulation. The investigation assessed the performance of Verizon and SBC in meeting the six California-adopted performance standards contained in General Order (GO) 133-B. Concerning the effect of NRF regulation on service quality, the PUC found that in general, service quality has improved during the NRF years.

On the GO 133-B service quality measures, Verizon generally exceeded four of the six service quality standards adopted by the PUC for all years covered in the study. For the 576 monthly instances for which the PUC has data on these four standards, Verizon met the standard 570 times. On the remaining two measures, Verizon compiled a record of substantial compliance. For the 241 monthly instances, Verizon met the standard in 184 months, or 76 percent of the time.

In addition, when evaluated on the Federal Communications Commission's (FCC) Automated Reporting Management Information System (ARMIS) service quality measures, Verizon exceeded the performance of a reference group on eight measures for both residential and business lines, and on two measures for residential lines only. Verizon has statistically indistinguishable performance on two measures for both residential and business lines and on two measures for business lines, and one measure for the residential/business lines. Based on the PUC's statistical analysis, Verizon does not fail to meet the performance of the reference group on any measure. Thus, on all significant Federal measures of service quality, Verizon meets or exceeds the performance of the reference group of large utilities.

The PUC found that SBC has good service quality with a few areas of weak service regarding residential services. On the GO 133-B service quality measures, SBC substantially complied with four of the six service quality standards adopted by the Commission for all years covered in the study. When examining monthly measures, the PUC found that in 504 monthly instances, SBC met the standard 503 times. For the remaining two measures, in the 241 monthly instances, SBC met the standard 159 times (66 percent). In addition, when evaluated on the FCC's ARMIS service quality measures, the PUC found that SBC exceeded the performance of a reference group on six measures for both residential and business lines, and on one measure for business lines, one measure for the residential/business lines. SBC has statistically indistinguishable performance on two measures for residential lines, and on five measures for business lines only. SBC fails to meet the performance of the reference group on four measures for residential lines.

As these data suggest, SBC has several areas of service weakness specific to residential services. Compared to the national reference group, SBC has far fewer incidences of service trouble or outages, but once this occurs, SBC is slower to resolve the trouble. SBC is also slow to answer customer-billing queries, a service quality indicator not systematically measured and for which there is no current GO 133-B standard.

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