

## **In Settlement OPC's Efforts to Improve Verizon's Quality of Service**

After a long contentious battle with Verizon DC over its deregulation proposal in Price Cap Plan 2007 (renamed "Price Cap Plan 2008"), the Office of the People's Counsel and Verizon DC filed a joint settlement agreement before the PSC in March 2008.

### **How did OPC develop its settlement position?**

The Office went through the testimony of almost **100 witnesses** who appeared before the Council of the District of Columbia's Committee on Public Services and Consumer Affairs over a two-day period, February 7 and 9, 2008. Consumers specifically cited to poor customer service training, billing disputes, system maintenance and reliability problems, poor quality of repair or installation services, customer service representatives' not knowing how to resolve consumer complaints and their lack of knowledge about the utility's products and services, billing errors, disconnection of local service for non-payment of wireless service, and other issues.

In settling this case, the People's Counsel's sole purpose was to **personally** make certain consumers' interests were met. All the provisions of the joint settlement agreement were negotiated by the Office in an effort to significantly improve Verizon DC's poor quality of service.

### **What provisions was OPC successful in getting into the settlement agreement?**

OPC's settlement provisions addressed ratepayers' "real world" concerns that had defied resolution for years. They included:

1. A rate freeze for basic residential customers
2. Two dedicated and specific company contacts for the resolution of consumer complaints
3. Training for Verizon DC customer service personnel so they know not to ask for Social Security numbers (unless a credit check is needed)
4. Training for Verizon DC service repair technicians to reduce repeat trouble calls
5. Implementation of customer service training for all Verizon DC representatives
6. Bill credits for all customers for service outages lasting 24 hours or more
7. No disconnection of local service for non-payment of wireless services. (Never before had the company agreed to this provision. Indeed, it has been six years since the proceeding investigating the policy of disconnection for non-payment of local services)<sup>1</sup>

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<sup>1</sup> With disconnection for non-payment, referred to in the telecommunications industry as "DNP," the local telephone company, like Verizon DC, disconnects a consumer's local service for non-payment of wireless or long distance services. OPC does not support DNP.

8. Negotiation of a cable franchise for deployment of FiOS in the District. (Consumers are angry and frustrated that deployment in D.C. may be stalled or delayed because of deployment in the Maryland and Virginia suburbs)<sup>2</sup>
9. Text messages to consumers of status of repairs

### **What will Price Cap Plan 2008 mean for D.C. consumers?**

Verizon DC has been subject to price cap regulation since 1996. With each price cap plan, which usually lasted two years, OPC preserved consumers' rights and interests to ensure just and reasonable rates and delivery of good quality of service to D.C.'s telephone ratepayers.

The nine "consumer" provisions in Price Cap Plan 2008 are based on ratepayers' overwhelming concerns about the quality of Verizon DC's local services and OPC efforts to thwart the Company's proposal to classify bundled packages and basic business services as competitive. As to deployment of advanced telecommunications services, OPC encouraged Verizon DC to speed up the delivery of FiOS to D.C. ratepayers.

### **What is the status of the settlement?**

After the joint settlement was filed by the parties, the Communications Workers of America ("CWA") intervened in the proceeding, challenging the agreement. The CWA wants more specificity with respect to provisions 4 and 5 in the agreement.

While OPC does not know when the Commission will rule on the settlement, it appears will consider the issues raised by the CWA.

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<sup>2</sup> FiOS (fiber optic service) is an Internet, telephone, and TV service offered over fiber-optic lines. Reportedly, the advanced technology provides a sharper, crisper television picture and the capacity to deliver video to the home. Presently, FiOS is only offered by Verizon (its creator) in certain parts of the Maryland and Virginia suburbs.