



State of New Jersey
DIVISION OF RATE COUNSEL
140 EAST FRONT STREET, 4TH FL
P. O. BOX 003
TRENTON, NEW JERSEY 08625

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

STEFANIE A. BRAND
Director

June 29, 2015

Via Electronic and Hand Delivery

The Honorable Richard Mroz,
President
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. BOX 350
Trenton, New Jersey 08625-0350

The Honorable Irene Kim Asbury
Board Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. BOX 350
Trenton, New Jersey 08625-0350

RE: In The Matter of Rate Counsel's Request for an Investigation into Verizon New Jersey, Inc.'s Continued Use of its Copper Infrastructure to Provide Telecommunications Services and Verizon New Jersey Inc.'s Transition Plan to Migrate Customers from its Copper-to-Fiber Infrastructure/Network in New Jersey.
BPU Docket No.:

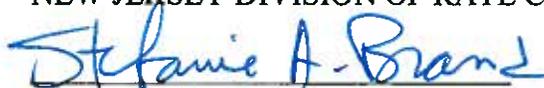
Dear President Mroz and Secretary Asbury:

The Division of Rate Counsel ("Rate Counsel") consistent with the public interest, convenience, and necessity respectfully files the above Request for Relief and Investigation regarding Verizon's continued use and maintenance of its copper infrastructure and its copper-to-fiber network transition of wireline telephone customers in New Jersey, for consideration by the New Jersey Board of Public Utilities ("Board") in the above captioned matter. Enclosed with this original please find ten (10) copies. Kindly return a date stamped "Received" or "Filed" copy to our office for our records.

Thank you for your attention to this matter.

Respectfully Submitted,

STEFANIE A. BRAND,
DIRECTOR,
NEW JERSEY DIVISION OF RATE COUNSEL



Stefanie A. Brand, Esq.
Division of Rate Counsel

SAB/db
w/encl.w/encl.

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

	:	
	:	STATE OF NEW JERSEY
	:	DIVISION OF RATE COUNSEL
	:	
In the Matter of Rate Counsel’s Request For an	:	REQUEST FOR AN ORDER TO HALT
Investigation into Verizon New Jersey, Inc.’s	:	DISCONNECTIONS RELATED TO
Continued Use of its Copper Infrastructure to	:	VERIZON NEW JERSEY INC.’S
Provide Telecommunications Services and	:	COPPER-TO-FIBER TRANSITION
Verizon New Jersey, Inc.’s Transition Plan to	:	
Migrate Customers from its Copper-to-Fiber	:	AND
Infrastructure/Network in New Jersey.	:	
	:	REQUEST FOR AN INVESTIGATION OF
	:	VERIZON’S COPPER-TO-FIBER
	:	TRANSITION IN NEW JERSEY
	:	
	:	BPU Docket No.

I. INTRODUCTION/BACKGROUND

As a result of a recent consumer complaint filed with the New Jersey Division of Rate Counsel (“Rate Counsel”) on June 8, 2015, it has come to Rate Counsel’s attention that Verizon New Jersey, Inc. (“Verizon”) has initiated a “network upgrade” for certain plain old telephone service (“POTs”) wireline customers forcing these customers to transition from its copper network to its fiber network without the customers’ consent and potentially over the customer’s objection. See, Certification of Maria Novas-Ruiz, (“MNR Cert”), Attachment 1. Customers are being told that if they do not agree to this transition their service will be disconnected. The complaint compels Rate Counsel to respectfully request that the New Jersey Board of Public Utilities (“Board”) immediately conduct an investigation of Verizon’s copper-to-fiber transition

and issue Verizon an Order to “Cease and Desist” from disconnecting any customer or switching any customer who has not consented to the change from copper to fiber pending the outcome of that investigation. Rate Counsel asserts that Verizon’s actions violate N.J.S.A. 48:3-3, 48:2-23 and the Board’s June 2015 Reclassification Order under BPU Docket No. TX11090570¹ which reaffirmed Verizon’s continuing carrier of last resort (“COLR”) obligations in New Jersey. These statutes, and the Board’s regulations at N.J.A.C. 14:3-3A.8(d) and 14:10-1A.7, require Verizon to maintain service quality on its wireline copper infrastructure, which continues to support plain old telephone service (“POTs”) and remains essential to ensure continued services such as DSL, certain alarm systems and medical equipment that technologically still require a copper infrastructure. Rate Counsel is also concerned that Verizon’s actions may run afoul of Section 214 of the Federal Communications Act of 1934, as amended (“the Act”), which requires Verizon to obtain FCC approval before it discontinues, reduces, or impairs service to a community or part of a community.²

Rate Counsel is also gravely concerned that Verizon’s tactics in effectuating the transition to fiber are coercive and dangerous. Customers are being provided with a very short window of time to contact the company and allow access to their property or risk having their service “suspended,” which means they can only call 911 or Verizon’s customer service number. *See*, (MNR Cert, Attachment 1). If they do not consent to the transition or do not contact the company within two weeks after suspension, they are subject to complete disconnection even if their account has been fully paid. *Id.* While Verizon promises that phone service will be offered at existing rates for the time being, it admits that customers who subscribe to High Speed

¹/ *In the Matter of the Board Investigation Regarding the Reclassification of Incumbent Local Exchange Carrier (ILEC) Services as Competitive – Phase II*, Order Adopting Stipulation on Reclassification of Service as Competitive, (June 2015 Reclass Order”) BPU Docket No. TX11090570, dated June 5, 2015, at p. 31.

²/ 47 U.S.C. § 214(a).

Internet (aka DSL) will lose their internet connection. Id. Of course customers are invited to subscribe to higher priced fiber services. Id. Rate Counsel believes these practices are unconscionable and also violate the statutes, regulations and the Plan for Alternative Regulation (“PAR”) that governs Verizon’s obligations to its wireline customers. For these reasons, Rate Counsel asserts that the requested investigation and Cease and Desist Order should be issued.

The customer who reached out to Rate Counsel resides in Bloomfield, N.J.. She received a letter dated May 15, 2015, which is attached to the Certification accompanying this Petition (with identifying information redacted). *See*, (MNR Cert., Attachment 1). The letter appears to be a Form Notice from Verizon advising that, to avoid disruption of service, the customer must contact Verizon within 30 days for an appointment to switch to Verizon’s fiber service. In response to the question “What happens if I do not schedule an appointment?” the letter states:

Your Verizon service will be suspended on or after 45 days from the date of this letter, if you do not allow Verizon reasonable access to your premises to install, maintain, or replace equipment and facilities that will enable us to move your service to our fiber-optic network. Once your service is suspended you will only be able to call 9-1-1 and our customer service number....Approximately 14 days after being suspended, Verizon service at your address will be disconnected unless you allow us to move your service to our fiber optic network.

The notice states that if anyone living in the home is “seriously ill” Verizon will agree not to shut off service for “up to 30 days during such illness” provided that acceptable medical documentation is submitted within 30 days of the date of the notice. Presumably after that 30 days, or if the medical documentation is late or not sufficient, even those customers will be cut off. The notice explains that while the voice customer will not be charged for the transition or for the installation of necessary equipment to migrate to fiber, customers who subscribe to High Speed Internet service will lose that service. Of course, Verizon reminds them that they are free

to upgrade their services to their FiOS product in order to continue internet service at a price that “may be lower or higher than what you currently pay.” Id.

The Frequently Asked Questions (FAQ) included with the letter (also attached hereto) also admit that other services currently enjoyed by these customers will be changed or ended. Although cleverly worded to give the customer the impression that nothing significant will change, the FAQ acknowledges that customers will now lose service during power outages, including the ability to call 9-1-1. The FAQ states that the battery backup will not work with cordless phones and that the customer will have to monitor and replace the batteries to ensure the ability to make emergency and other calls during a power outage. The FAQ suggests that if the battery back-up does not work “you can use an alternative, such as a cell phone, to call 9-1-1.” The FAQ does not, however, disclose that cell towers may also not work when there are power outages, a situation that was experienced by many after Superstorm Sandy. The Company asserts that “Any devices that rely on your current voice service, such as facsimile, security alarms connected to a central station, or medical monitoring equipment, will continue to work in the same way as they did over copper.” This statement may be misleading, as the term “medical monitoring equipment” is not defined. Certain medical alert systems and medical device monitoring equipment do require copper wires and thus the accuracy of this statement should be investigated.

Rate Counsel is cognizant that a technological transition must occur pursuant to and in lockstep with the Federal Communications Commission’s (“FCC” and/or “Commission”) planned IP Transition. Similarly, Verizon’s planned copper-to-fiber transition must occur at an orderly pace and under sufficient state review and supervision to ensure that transition does not detrimentally affect ratepayers. The “take it or leave it” approach utilized by Verizon is

inconsistent with these policy goals and with the public interest. In New Jersey the need for an orderly transition became clear in the days and weeks after Superstorm Sandy, when many residents were without power and phone service unless they had service over copper wires. The Board has a duty to prepare and provide guidance for consumers and industry alike, rather than allowing carriers to arbitrarily impose deadlines and large-scale plans to change networks and discontinue copper network services. The Board has an overarching statutory responsibility to ensure that technological transitions in New Jersey proceed in a manner that does not compromise the provision of safe, adequate and reliable telecommunications services.

Overall, we know that the change from one provider, one technology, one service to multiple providers, multiple technologies and multiple services forces us to ask some critical questions on how things should be handled in the future. However, one thing is clear, there must be a balance struck between allowing industry to deploy advanced technologies and ensuring that consumers are not detrimentally impacted during the transition. The Board, as arbiter and protector of these two interests, must be fully engaged in the transition process to avoid customer confusion and ensure the adequacy and reliability of continued telecommunications services throughout the State. Only thus will the transition to new technology not trample on a ratepayer's right to receive safe, adequate and reliable services. For these reasons and additional considerations to be discussed below, the Board should initiate an investigation into Verizon's copper-to-fiber network transition and its planned retirement and continued maintenance of its copper infrastructure in New Jersey, and should issue a cease and desist Order halting disconnections or suspensions of service when a customer declines to authorize the copper-to-fiber network transition.

II. DISCUSSION

Rate Counsel submits that Verizon's actions represent a *de facto* discontinuance of service. Verizon's letter clearly states that service will be discontinued if customers do not arrange for Verizon to switch their service within 45 days, even if those customers seek continued wireline service and have paid their bills. This action is contrary to state statutes, the Board's regulations and the recent Order approving the Reclassification Stipulation recently entered into between Board Staff and Verizon. N.J.S.A. 48:3-3 provides that no utility may "withhold or refuse to provide any service which reasonably can be demanded or furnished when ordered by the board." N.J.A.C. 14:3-3A.8(d) states clearly that a telephone utility may terminate Basic Residential Local Telephone Service only for nonpayment of charges. N.J.S.A. 48:2-23 requires public utilities to provide safe, adequate and proper service and allows the Board to "require any public utility to continue to furnish service and to maintain its property and equipment in such condition as to enable it to do so." See also, N.J.A.C. 14:10-1A.7 (requiring telephone utilities to "maintain equipment and facilities as necessary to ensure the provision of safe, adequate and proper service at all times.")

In the recent Stipulation approved by the Board, Verizon specifically agreed to abide by all applicable regulatory provisions, including these. The Board relied on Verizon's agreement to do so, stating that the Order "shall not serve to release Verizon from any obligations that currently exist under any and all applicable Board orders and rules currently in effect and shall not be construed to relieve the company of any obligations that exist today to respond in a timely manner to any customer service complaints received." (Order p. 31). Yet, before the ink was even dry on the Board's Order, Verizon was informing certain customers that it is refusing to

provide service over its copper wire system and will discontinue service for a reason other than nonpayment of charges.

Verizon's actions also violate federal law. Verizon is required under Section 214 of the Communications Act of 1934, as amended ("the Act"), to obtain FCC approval before they discontinue, reduce, or impair service to a community or part of a community. 47 U.S.C. §214(a). Under Section 214, a carrier typically cannot remove interstate or foreign basic voice service from the marketplace without a public review process and affirmative FCC decision that the discontinuance will meet the statutory standards.³ This process allows the Commission to satisfy its obligation under the Act to protect the public interest and to minimize harm to consumers.⁴ Rate Counsel is not aware of any filing Verizon has made with the FCC seeking discontinuance of services in New Jersey outside of certain shore communities.⁵

Although the Board's regulations do not address the transition of customers from one technology to another, the process is akin to a mass migration of customers, except customers are being migrated over to a new technology rather than a new carrier. The Board's Mass Migration rules ensure that a carrier's planned cessation of services and migration of customers from one provider to another occurs in an orderly manner, is not anti-competitive and guarantees the continuation of safe, adequate and reliable services to customers with minimal customer confusion. See, N.J.A.C. 14:10-12.5. New Jersey wireline customers currently targeted by

³/ The final proviso of section 214(a) states that no authorization is required for "any installation, replacement, or other changes in plant, operation, or equipment, other than new construction, which will not impair the adequacy or quality of service provided." 47 U.S.C. § 214(a).

⁴/ See 47 U.S.C. § 201.

⁵/ *In the Matter of Section 63.71 Application of Verizon New Jersey Inc. and Verizon New York Inc. for Authority to Discontinue Domestic Telecommunications Services*, (FCC Order) under WC Docket No. 13-149, Comp. Pol. File No. 1112, (DA-1971; Rel. September 24, 2013). The Order applies only certain New Jersey Barrier Island communities where copper was damaged by Hurricane Sandy.

Verizon for conversion from copper to fiber require the same customer protections ensured under the Board's mass migration rules. Here, Verizon is attempting to migrate without such protections and in a manner that has created customer confusion, and threatens the continuation of safe, adequate and reliable services for current wireline customers. The Board must therefore assert its regulatory jurisdiction to ensure that this process is conducted fairly and consistent with law.

The Board clearly has jurisdiction to investigate Verizon's proposed transition. N.J.S.A. 48:2-19(a) allows the Board to "[i]nvestigatge upon its own initiative or upon complaint in writing any matter concerning any public utility." The Board also has supervisory authority over public utilities and the power to order them to comply with the laws of this state. N.J.S.A. 48:2-16. The Board should exercise these powers here consistent with its authority and obligation to assure that safe, adequate and proper service continues to be provided and is not unreasonably withheld. N.J.S.A. 48:2-23, 48:3-3; N.J.A.C. 14:10-1A.7. By doing so, even if it is determined that a transition to fiber for these customers is appropriate, that transition could be accomplished in an orderly fashion that takes into account the needs of those customers, rather than a letter threatening disconnection.

In this regard, recent rulings by the FCC regarding its IP transition are instructive. In a recent Declaratory Ruling issued by the FCC regarding the transition from networks based on time-division multiplexed (TDM) circuit-switched voice services running on copper loops to all-Internet Protocol (IP) multi-media networks using copper, co-axial cable, wireless, and fiber, the FCC stated that "the success of these technology transitions depends upon the technologically-neutral preservation of principles embodied in the Communications Act that have long defined the relationship between those who build and operate networks and those who use them. These

principles include competition, consumer protection, universal service, and public safety and national security.”⁶ To ensure that the transition to newer service platforms are deployed in a responsible manner and do not detrimentally impact customers, the FCC’s Declaratory Ruling requires that before transition of services may occur the carrier must:

- 1) Ensure reliable back-up power for consumers of IP-based voice and data services across networks that provide residential fixed service that substitutes for and improves upon the kind of traditional telephony used by people to dial 911;⁷
- 2) Protect consumers by ensuring they are informed about their choices and the services provided to them when carriers retire legacy facilities (e.g., copper networks) and seek to discontinue legacy services (e.g., basic voice service); and
- 3) Protect competition where it exists today, so that the mere change of a network facility or discontinuance of a legacy service does not deprive small- and medium-sized business, schools, libraries, and other enterprises of the ability to choose the kinds of innovative services that best suit their needs.

Lastly, the FCC’s Declaratory Ruling, clearly states,

Pursuant to section 214(a) discontinuance process, telecommunications carriers—other than CMRS providers—and interconnected Voice over Internet Protocol (VoIP) providers must obtain Commission authority to discontinue interstate or foreign service to a community or part of a community. The discontinuance rules are designed to ensure that customers are fully informed of any proposed change that will reduce or end service, to ensure appropriate oversight by the

⁶ *In the Matter of Ensuring Customer Premises Equipment Backup Power for Continuity of Communications Technology Transitions Policies and Rules Governing Retirement Of Copper Loops by Incumbent Local Exchange Carriers Special Access for Price Cap Local Exchange Carriers AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services*. Notice of Proposed Rulemaking and Declaratory Ruling, (“NPRM and Declaratory Ruling”), PS Docket No. 14-174 GN Docket No. 13-5 RM-11358 WC Docket No. 05-25 RM-10593, (Adopted: November 21, 2014 Released: November 25, 2014), (FCC 14-185), summary at pp.2-6, detailed pp. 7-74. See also, *Technology Transitions, et al., GN Docket No. 13-5, et al., Order, Report and Order and Further Notice of Proposed Rulemaking, Report and Order, Order and Further Notice of Proposed Rulemaking, Proposal for Ongoing Data Initiative*, 29 FCC Rcd 1433, 1435, paras. 1 (2014) (Technology Transitions Order). Specifically, Technology Transitions Order, 29 FCC Rcd at 1440, paras. 16-18 and at 1435-36, paras. 2-4. See also 47 U.S.C. §§ 151, 160, 201, 225, 251, 254, 255.

⁷ As the FCC noted, in the 20th Century consumers rightly became accustomed to retaining the ability to use their landline phones even when the power went out since copper networks conduct electricity from the local exchange carrier’s central office to the customer premises equipment (CPE) (i.e., copper networks possess “line power”). Because the CPE used for IP-based services generally requires backup power source such as batteries in the event of a power outage, it is important that consumers have a means to ensure continuity of communications throughout a power outage, including, most importantly, continued access to emergency services. See FCC’s NPRM and Declaratory Ruling at pp. 6-14, *supra* at fn 8.

Commission of such changes, and to provide an orderly transition of service, as appropriate. This process allows the Commission to minimize harm to customers and to satisfy its obligation under the Act to protect the public interest. Id. at paragraphs 22-27, pp. 14-17.

Accordingly, the Board has ample authority and jurisdiction to ensure that Verizon meets its obligation to provide safe, adequate and proper service and that Verizon's copper-to-fiber transition is conducted in a manner that does not run afoul of state and federal law. The Board also has the authority and responsibility on behalf of New Jersey customers to verify that Verizon has been approved and authorized to discontinue its copper network services pursuant to a Section 214 Application throughout the New Jersey communities it serves. As the Board stated in its recent Order approving Verizon's Reclassification Stipulation,

This Order shall not be construed to limit in any manner any statutory or regulatory authority granted to the Board as to the regulation of competitive telecommunications services in New Jersey pursuant to State or Federal laws, regulations or rulings of a court of law. Also, Verizon is still obligated to comply with all relevant Board Orders, including but not limited to, PAR obligations. In addition, the 2015 Stipulation does not alter Verizon's COLR obligations.

Based on the facts herein which compel Rate Counsel to alert the Board about Verizon's immediate and apparently unannounced copper-to-fiber transition in certain New Jersey communities, Rate Counsel respectfully urges the Board to:

- 1) initiate an investigation of Verizon's copper-to-fiber transition to determine whether it is consistent with State and Federal law and to evaluate the community and customer impact of the discontinuance of copper service and transition to fiber;

- 2) issue a "Cease and Desist" Order prohibiting Verizon from disconnecting any customer under its copper-to-fiber transition in New Jersey until such time as the Board has completed its investigation; and

3) establish a process for obtaining public input and creating a record, as well as criteria that the Board will use in evaluating applications to discontinue retail services under a carrier's existing infrastructure/network and transition of customers to a different infrastructure/network. As part of this process, the Board should solicit preliminary information from Verizon and other interested parties regarding Verizon's current New Jersey POTs transition plan from copper-to-fiber and the impact if any, on customers and businesses that cannot substitute and/or choose to continue to receive services utilizing Verizon's underlying copper infrastructure.

III. CONCLUSION

For the reasons discussed above, Rate Counsel respectfully urges the Board to conduct an investigation of Verizon's copper-to-fiber transition, issue an Order prohibiting the disconnection of any customer in connection with the copper-to-fiber network transition pending the completion of the Board's investigation, and establish a process to obtain public input and create a record regarding the impact of the copper-to-fiber transition.

Respectfully Submitted

STEFANIE A. BRAND,
DIRECTOR

STATE OF NEW JERSEY
DIVISION OF RATE COUNSEL



Stefanie A. Brand,

Director

Maria T. Novas-Ruiz,
Assistant Deputy Rate Counsel

Dated: June 29, 2015.

State of New Jersey Attorney General's
Office, Division of Law & Public Safety
Caroline Vachier, DAG
Alex Moreau, DAG
Veronica Beke, DAG
147 Halsey Street
Newark, NJ 07101-45029
Caroline.Vachier@dol.lps.state.nj.us
Alex.Moreau@dol.lps.state.nj.us
Veronica.Beke@dol.lps.state.nj.us

Paul Flanagan,
Executive Director
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. BOX 350
Trenton, NJ 08625
Paul.Flanagan@bpu.state.nj.us

Cynthia Covie,
Chief Counsel
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. BOX 350
Trenton, NJ 08625
Cynthia.Covie@bpu.state.nj.us

Carol Artale,
Legal Specialist
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. BOX 350
Trenton, NJ 08625
Carol.Artale@bpu.state.nj.us

Collen Foley, Esq.
Saul Ewing, LLP
One Riverfront Plaza
1037 Raymond Blvd., Suite 1520
Newark, NJ 07102-5426
cfoley@saul.com

Bill Dressel,
Executive Director
New Jersey League of Municipalities
222 West State Street
Trenton, NJ 08608
bdressel@njslom.org

Ed Purcell, Esq.
Staff Attorney
New Jersey League of Municipalities
222 West State Street
Trenton, NJ 08608
epurcell@njslom.org

Robert W. Speer,
President/Bus. Mgr.
IBEW Local 827
263 Ward Street
East Windsor, NJ 08520
president@ibew827.com

Karen S. Lane,
Vice President
IBEW Local 827
263 Ward Street
East Windsor, NJ 08520
vice-president@ibew827.com

Hetty Rosenstein,
CWA, Area Director
102 S. Warren Street
Trenton, NJ 08608
hrosenstein@cwa-union.org

Zsuzsanna E. Benedek, Esq.
The United Telephone Company
d/b/a CenturyLink
240 North Third Street, Suite 300
Harrisburg, PA 17101
sue.benedek@centurylink.com

Respectfully Submitted,



Stefanie A. Brand, Director
State of New Jersey - Division of Rate Counsel

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

	:	STATE OF NEW JERSEY
	:	DIVISION OF RATE COUNSEL
	:	
In the Matter of Rate Counsel's Request For an Investigation into Verizon New Jersey, Inc.'s Continued Use of its Copper Infrastructure to Provide Telecommunications Services and Verizon New Jersey, Inc.'s Transition Plan to Migrate Customers from its Copper-to-Fiber Infrastructure/Network in New Jersey.	:	REQUEST FOR AN ORDER TO HALT DISCONNECTIONS RELATED TO VERIZON NEW JERSEY INC.'S COPPER-TO-FIBER TRANSITION
	:	AND
	:	REQUEST FOR AN INVESTIGATION OF VERIZON'S COPPER-TO-FIBER TRANSITION IN NEW JERSEY
	:	
	:	BPU Docket No.

ATTORNEY CERTIFICATION

I Maria T. Novas-Ruiz, an attorney in the State of New Jersey and Assistant Deputy Rate Counsel for the State of New Jersey Division of Rate Counsel, and staff attorney in the Telecommunications and Cable Section, certify as follows,

1) On Friday June 5, at 5:30 p.m. an email was received by the New Jersey Division of Rate Counsel ("Rate Counsel") from a ratepayer, a Verizon New Jersey wireline customer residing in Bloomfield, New Jersey. The email stated that the customer had received by regular and first class mail a Notice from Verizon dated 5/15/15 requiring her to schedule an appointment with a Verizon technician to convert the customer's landline from copper wire to fiber optic cable, and that the conversion would be at no cost to the customer and that the rates would remain the same. The customer remarked that she had read in the paper that rates may

soon be rising quickly and that her copper line has proven more reliable than the FIOS service her mother-in-law has and the fiber optic cable service her neighbors have. The customer noted that the Notice further stated that if the customer did not respond within 30 days of the date of the letter, Verizon would cut off the customer's phone service. The customer attached a copy of the Notice and asked Rate Counsel if this was something Verizon could do and on such short notice to the customer and if it was necessary for her to allow Verizon to come into her home and do this conversion.

2) A true and correct copy of the Notice provided by the customer with her personal information redacted, is attached hereto as Attachment 1.

3) Thereafter, on or about the week of June 8, 2015, I telephoned the customer to discuss her inquiry. I stated that Rate Counsel was not aware of Verizon's copper-to-fiber network transition plan for plain old telephone service throughout the state and discussed her email to Rate Counsel and Verizon's Notice. During the course of the conversation the customer indicated that no one in her household had medical equipment, nor did she have a home alarm system that required service *via* Verizon's copper infrastructure, but that she wished to retain her copper wire service because she believes it is more reliable. I asked the customer if she knew if neighbors had received similar notices, or if she knew of anyone else who had received this Notice from Verizon. The customer said she was not aware if her neighbors had received the same Notice but assumed they had and that her friend, who lives in Millburn, had received a similar Notice from Verizon a few weeks back as well. I advised her that the New Jersey Board of Public Utilities ("Board") has authority and oversight over Verizon's service quality and recommended that she call and/or file a complaint with the Board's Customer Assistance Division.

4) On June 18, 2015 I reached out to the customer in response to a message left on my voicemail on June 15th. The customer indicated that she had electronically filed a complaint with the Board the week prior and had also spoken with a Board employee from the Board's Customer Assistance Division who had advised her that there was nothing that the Board could do concerning the Verizon Notice or Verizon's planned transition of her services from copper to fiber. The customer further said, that since her call to the Board, she has been contacted on three separate occasions by three different Verizon representatives regarding the planned transition of her telephone system: two from Verizon's Supervisory Office of Relations: Ms. Cykes and Ms. Carol Lombardo. The customer indicated that although Ms. Lombardo appeared sympathetic she had advised that the transition was going forward regardless of her wishes or objections, stating that there was nothing the customer could do to stop it. She also spoke with a Verizon Project Manager who confirmed what Ms. Lombardo had advised.

Dated: June 29, 2015.



Maria T. Novas-Ruiz, Esq.
State of New Jersey - Division of Rate Counsel
Assistant Deputy Rate Counsel
Attorney at Law – State of New Jersey



Rate Counsel
Attachment 1

**NOTICE OF VERIZON NETWORK UPGRADE:
IMMEDIATE CUSTOMER ACTION REQUIRED FOR CONTINUED VERIZON SERVICE**

May 15, 2015

BLOOMFIELD, NJ 07003

Dear

Telephone Number:

IMPORTANT NOTICE: This is not a sales letter. Verizon is in the process of upgrading the network in your area to our fiber-optic technology. **TO AVOID ANY DISRUPTION OF YOUR VERIZON SERVICE(S), YOU MUST CALL US AT 1.877.439.7442 WITHIN 30 DAYS OF THIS LETTER TO SCHEDULE AN APPOINTMENT.** Our goal is to make this transition as easy as possible for you.

If you have Verizon voice service, the upgrade will provide access to the same voice service you enjoy today at the same price, but over our all-fiber network. Verizon Wireless services are not affected by this upgrade.

Why do I have to call Verizon?

We are migrating our services in your area from our older copper network to our newer, more reliable fiber-optic technology. After the migration, we will no longer provide service in your area over the copper network. Our fiber-optic network allows us to provide higher quality services using a more reliable technology.

Will I have to change my current service, and will the price increase?

The upgrade to fiber-optic technology, which will be performed at no cost to you, will give you access to the same Verizon voice service you currently have at the same price. Customers with our High Speed Internet service who upgrade to fiber will be offered our FiOS Internet product at a special rate.

How do I arrange to move my service to the Verizon fiber-optic network?

Please contact us within 30 days of the date of this letter at 1.877.439.7442 to move your Verizon service to fiber. We are available Monday-Friday (8:00 a.m. - 8:00 p.m.) and Saturday (9:00 a.m. - 5:00 p.m.).

What happens if I do not schedule an appointment?

Your Verizon services will be suspended on or after 45 days from the date of this letter, if you do not allow Verizon reasonable access to your premises to install, maintain, or replace equipment and facilities that will enable us to move your service to our fiber-optic network. Once your service is suspended, you will only be able to call 9-1-1 and our customer service number, which is 1.800.VERIZON (1.800.837.4966). Approximately 14 days after being suspended, Verizon service at your address will be disconnected unless you allow us to move your service to our fiber-optic network.

What if I have additional questions?

Please review the attached Frequently Asked Questions for additional information about the fiber upgrade, including information about replacing your High Speed Internet service (if you subscribe).

Thank you for continuing to be a loyal Verizon customer. We appreciate your business. If you have already placed an order to migrate or disconnect your service, thank you and please disregard this notice.

Sincerely,

Walter Jones
VP-Business Transformation
Verizon
One Verizon Way
Basking Ridge, NJ 07920



**AVISO DE VERIZON RED DE ACTUALIZACIÓN:
ACCIÓN INMEDIATA AL CLIENTE REQUERIDA PARA SERVICIO DE VERIZON CONTINÚA**

May 15, 2015

BLOOMFIELD, NJ 07003

Querido

Telephone Number:

AVISO IMPORTANTE: Esta no es una carta de ventas. Verizon está en el proceso de mejora de la red en su área para nuestra tecnología de fibra óptica. **PARA EVITAR CUALQUIER INTERRUPCIÓN DE SU SERVICIO DE VERIZON (S), DEBE LLAMARNOS AL 1.877.439.7442 DENTRO DE 30 DÍAS DE ESTA CARTA PARA PROGRAMAR UNA CITA.** Nuestro objetivo es hacer esta transición lo más fácil posible para usted.

Si tiene el servicio de voz de Verizon, la actualización permitirá el acceso al mismo servicio de voz que disfrutaban hoy por el mismo precio, pero con el paso de nuestra red totalmente de fibra óptica. Servicios de Verizon Wireless no se ven afectados por esta actualización.

¿Por qué tengo que llamar a Verizon?

Estamos migrando nuestros servicios en su área de nuestra red de más edad del cobre a nuestra tecnología de fibra óptica más nuevo, más fiable. Después de la migración, ya no podremos ofrecer un servicio en su área sobre la red de cobre. Nuestra red de fibra óptica nos permite ofrecer servicios de mayor calidad utilizando una tecnología más fiable.

¿Tendré que cambiar mi servicio actual y aumentará el precio?

La actualización a la tecnología de fibra óptica, que se lleva a cabo sin costo alguno para usted, le dará acceso al mismo servicio de voz de Verizon que tiene actualmente por el mismo precio. Los clientes con nuestro servicio de Internet de alta velocidad que actualicen a la fibra se ofrecerán nuestro producto FiOS Internet a un precio especial.

¿Cómo organizo para mover mi servicio a la red de fibra óptica de Verizon?

Póngase en contacto con nosotros dentro de los 30 días siguientes a la fecha de esta carta al **1.877.439.7442** para mover el servicio de Verizon a la fibra. Estamos disponibles de lunes a viernes (8:00 a.m. -8:00 p.m.) y sábado (9:00 a.m. -5:00 p.m.).

¿Qué sucede si no me programo una cita?

Sus servicios de Verizon se suspenderán a partir del 45 días desde la fecha de esta carta, si usted no le permite a Verizon acceso razonable a sus instalaciones para instalar, mantener o reemplazar los equipos e instalaciones que nos permitirá mover su servicio a nuestra fibra red -óptica. Una vez que su servicio se suspende, sólo podrá llamar al 9-1-1 y nuestro número de atención al cliente, que es 1.800.VERIZON (1.800.837.4966). Aproximadamente 14 días después de ser suspendido, el servicio de Verizon en su dirección se desconectará a menos que usted permite que nos movamos su servicio a nuestra red de fibra óptica.

¿Qué pasa si tengo más preguntas?

Por favor revise las Preguntas Frecuentes adjuntos para más información sobre la actualización de la fibra, incluyendo la información sobre la sustitución de su servicio de Internet de alta velocidad (si se suscribe).

Gracias por seguir siendo un cliente fiel de Verizon. Apreciamos su negocio. Si ya ha realizado un pedido a migrar o desconectar su servicio, gracias y por favor, no tener en cuenta este aviso.

Atentamente,

Walter Jones
VP-Business Transformation
Verizon
One Verizon Way
Basking Ridge, NJ 07920

VERIZON NETWORK UPGRADE: FREQUENTLY ASKED QUESTIONS

- 1. Will I be charged for the fiber installation or the new equipment?** There is no charge for the fiber extension to your home, nor is there a charge for any necessary equipment to migrate your Verizon telephone service to fiber. If you are migrating High Speed Internet to FiOS Internet or if you purchase additional services such as FiOS TV, you may be charged for the equipment for these services depending on which you select.
- 2. What is the installation process?** You will need to schedule an installation appointment at a time when someone 18 years or older will be home. To do that, please call us at 1.877.439.7442 (Mon-Fri, 8:00 am-8:00 pm; and Sat, 9:00-5:00 pm). You will also need to provide access to a grounded or a three-prong electrical outlet, which we need to power the equipment. We will work with you to identify a convenient installation date. On the day of installation, our technician will install the equipment and ensure that your voice service is working properly with your equipment. If you choose to subscribe to new services available on fiber such as FiOS Internet or FiOS TV, the technician will provide professional installation of those services as well. The technician will address any questions at the time of installation.
- 3. What equipment is needed in order for me to upgrade to the fiber network?** We will extend our fiber optic network to your home, and our technician will install an Optical Network Terminal (ONT) and backup power unit (described below) for voice service at your home. The placement of this equipment will vary depending on the type of home you live in. We should be able to use the existing wiring in your home, and you will be able to use your existing telephones.
- 4. What is the battery backup?** The battery power unit is designed to provide you with backup power for your voice service in the event of a commercial power outage. Without the backup power unit, you will not have voice service, and, if you have an alarm system, it may not be able to dial out to a central monitoring station. The backup power unit will allow you to make telephone calls on a corded telephone handset, but it will not power telephones with cordless handsets, alarm system equipment, or other devices or equipment that require power. To power those devices during a commercial power outage, you will need an alternative power source such as a generator.
- 5. What about 911 for emergencies?** There will be no changes to the 911 emergency service as a result of upgrading to our fiber network. In the event of an extended power outage that fully depletes battery power in the backup power unit, please put in a set of new batteries in order to place telephone calls, including 911 calls, from a corded telephone handset. Or you can use an alternative, such as a cell phone, to dial 911.
- 6. I'm not sure I want FiOS. What are my alternatives?** This is not FiOS voice service. It is your existing voice service, only provided over fiber instead of copper, at the same price, terms, and conditions. Any devices that rely on your current voice service, such as facsimile, security alarms connected to a central station, or medical monitoring equipment, will continue to work in the same way as they did over copper. For High Speed Internet customers, the product you currently have is not available on fiber, but Verizon can provide you with a FiOS Internet product that is significantly faster at a special rate. In some cases, this price may be lower or higher than what you currently pay. If you would like to speak with a representative about any of our FiOS products, please call us at 1.877.439.7442.
- 7. What if there is a medical emergency in my home?** If you or anyone presently and normally living in your home is seriously ill, we will not cut off your telephone service for up to 30 days during such illness provided you: (a) have a physician certify by phone or in writing that such an illness exists and that the person will be endangered if your telephone service is stopped; and (b) contact us at 1.877.439.7442 to place an order to transfer your voice service to fiber no later than thirty (30) days from the date of the attached Notice.

VERIZON RED DE ACTUALIZACIÓN: PREGUNTAS FRECUENTES

1. ¿Se me cobrará por la instalación de la fibra o el nuevo equipo? No hay ningún cargo para la extensión de la fibra a su casa, ni hay una carga para cualquier equipo necesario para migrar su servicio telefónico de Verizon a la fibra. Si está migrando a Internet de alta velocidad de FiOS Internet o si usted compra servicios adicionales, tales como FiOS TV, se le puede cobrar por el equipo para estos servicios en función de que haya seleccionado.

2. ¿Cuál es el proceso de instalación? Tendrá que programar una cita de instalación en un momento en que alguien 18 años o más será el hogar. Para hacer eso, por favor llámenos al 1.877.439.7442 (de lunes a viernes, de 8:00 am-8:00 pm, y sábado, 9:00-5:00 horas). También tendrá que proporcionar acceso a una toma de tierra o un tomacorriente de tres patas, que necesitamos para alimentar el equipo. Vamos a trabajar con usted para identificar una fecha de instalación conveniente. En el día de la instalación, nuestro técnico instalará el equipo y asegurarse de que su servicio de voz funciona correctamente con su equipo. Si decide suscribirse a los nuevos servicios disponibles en fibra tales como FiOS Internet o FiOS TV, el técnico le proporcionará la instalación profesional de esos servicios. El técnico contestará cualquier pregunta en el momento de la instalación.

Se necesita 3. ¿Qué equipo para que me actualizo a la red de fibra? Vamos a ampliar nuestra red de fibra óptica en tu casa, y nuestro técnico a instalar un terminal de red óptica (ONT) y la unidad de energía de reserva (que se describe más adelante) para el servicio de voz en su casa. La colocación de este equipo puede variar dependiendo del tipo de casa donde vive. Debemos ser capaces de utilizar el cableado existente en su casa, y usted será capaz de utilizar sus teléfonos existentes.

4. ¿Cuál es la copia de seguridad de la batería? La unidad de energía de la batería está diseñada para proporcionarle energía de reserva para su servicio de voz en caso de un corte de energía comercial. Sin la unidad de energía de reserva, usted no tiene el servicio de voz, y, si usted tiene un sistema de alarma, puede no ser capaz de marcar a una estación central de monitoreo. La unidad de energía de reserva le permite hacer llamadas de teléfono en un teléfono con cable, pero no lo hará teléfonos eléctricos con auriculares inalámbricos, equipos de sistema de alarma, u otros dispositivos o equipos que requieren energía. Para alimentar estos dispositivos durante un corte de energía comercial, tendrá una fuente de energía alternativa como un generador.

5. ¿Qué pasa con el 911 para emergencias? No habrá cambios en el servicio de emergencia 911, como resultado de la actualización a nuestra red de fibra. En caso de un apagón prolongado que agota totalmente la batería en la unidad de energía de reserva, por favor, poner en un conjunto de pilas nuevas con el fin de realizar llamadas telefónicas, incluidas las llamadas al 911, desde un teléfono con cable. O puede utilizar una alternativa, como un teléfono celular, para marcar 911.

6. Yo no estoy seguro de querer FiOS. ¿Cuáles son mis alternativas? Esto no es un servicio de voz de FiOS. Es su servicio de voz existente, sólo proveído a través de fibra en lugar de cobre, al mismo precio, términos y condiciones. Los dispositivos que se basan en el servicio de voz actual, como fax, alarmas de seguridad conectados a una estación central, o equipos de monitoreo médico, continuarán trabajando de la misma manera como lo hicieron a través de cobre. Para De alta velocidad de clientes de Internet, el producto que usted tiene actualmente no está disponible en fibra, pero Verizon puede proporcionarle un producto FiOS Internet que es significativamente más rápido a un precio especial. En algunos casos, este precio puede ser menor o mayor que lo que se paga actualmente. Si usted desea hablar con un representante acerca de cualquiera de nuestros productos de FiOS, por favor llámenos al 1.877.439.7442.

7. ¿Qué pasa si hay una emergencia médica en mi casa? Si usted o alguien en la actualidad y que normalmente viven en su hogar está gravemente enfermo, no nos cortamos su servicio telefónico por hasta 30 días durante dicha enfermedad siempre y cuando: (a) tiene un médico certifica por teléfono o por escrito que dicha enfermedad existe y que la persona estará en peligro si se detiene el servicio telefónico; y (b) contacte con nosotros en 1.877.439.7442 para realizar un pedido para transferir su servicio de voz a la fibra no más tarde de treinta (30) días a partir de la fecha de la Notificación adjunta.