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OFFICE OF THE VICE PRESIDENT

September 2, 2015

Hon. Audrey Zibelman  
Chairwoman  
Public Service Commission of the State of New York  
Department of Public Service  
Three Empire State Plaza  
Albany, New York 12223-1350

Dear Chairwoman Zibelman:

We write to ask that the Commission open a formal proceeding including an audit and financial analysis into the actual investment policies and practices of Verizon as they pertain to the copper network. The investigation should include but not be limited to a financial analysis of copper network revenue and expenditures over the past ten years; the current state of the copper infrastructure; staffing levels dedicated to preventive maintenance, repair, installation, and customer service over the past ten years; policies and procedures that impact the quality of service that customers receive.

Our concern about the integrity, reliability and sufficiency of the copper network should not be new to you. We refer you to the July 1, 2014 Petition and complaint which has still not been acted on, and which contains such concerns. We again ask that you act on the Petition and complaint.

But two recent developments have intensified the need for Commission action.

The first is a public admission by Verizon of its actual copper investment practices. In a July 15, 2015 letter from Maggie McCready, Vice President, Federal Regulatory Affairs, Verizon to Ms. Marlene H. Dortch, Secretary, Federal Communications Commission, Verizon states that **“Since 2008, Verizon has spent more than \$200 million on its copper network.”**<sup>1</sup>

Let’s put that \$200 million in perspective:

Verizon spent \$200 million over a seven-year period on a copper network that covers literally tens of millions of customers in eight states -- New York, Massachusetts, Rhode Island, New Jersey, Delaware, Pennsylvania, Maryland, Virginia, plus Washington, D.C., and parts of California, Texas, and Florida. (Prior to 2010, the Verizon footprint included an additional 4.8 million lines in 14 additional states.)

\$200 million represents a paltry 0.39 percent of the \$50.7 billion Verizon spent on its wireline network from 2008 to 2014. Nearly 100 percent of Verizon's wireline investment was spent to build its fiber network.<sup>2</sup> CWA supports Verizon's FiOS expansion. But where Verizon has refused to deploy its all-fiber FiOS network, Verizon has the statutory obligation to maintain its copper plant to provide safe, reliable service. (Verizon spent \$59.9 billion on its wireless network, 2008-2014.)

The impact on New York's copper system of such massive disinvestment cannot be ignored. Our request for a formal inquiry is the only way that the Commission and the public can understand and deal with such policies and practices.

The second relevant event is the letter from you to Verizon concerning the audit of Verizon broadband buildout in New York City. Again, this is a matter raised in the July 1, 2014 Petition which has, again, not been acted on by the Commission. But, to your credit, the PSC has publicly asked for a company response, and that is progress, of a sort.

If the release and surrounding controversy of the NYC audit has provoked such a response, we believe that the Verizon admission of disinvestment in the copper system requires at least a similar response. We ask for and prefer a formal investigation as we have been saying for over a year. But deterioration of the copper system cannot be viewed as a lesser concern than the need for broadband buildout.

We await your response.

Sincerely,

A handwritten signature in cursive script that reads "Dennis G. Trainor".

Dennis Trainor  
Vice President, CWA District One