



**THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, NY 10007**

**Audrey Zibelman
Chair
Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350**

Re: Case 08-V-0624 – Petition of Verizon New York Inc. for a Certificate of Confirmation for its Franchise with the City of New York (New York, Bronx, Queens, Kings and Richmond Counties).

Case 08-V-0497 – Petition of Verizon New York Inc. for Limited Waivers of Certain Rules in Connection with a Proposed Cable Television Franchise Agreement with the City of New York.

August 3, 2015

Dear Ms. Zibelman:

We are writing in support of your July 27, 2015, letter to Verizon New York requesting information on the status of its fiber-to-the-premises build-out. Public participation is a vital component of The Study on the State of Telecommunications in New York State, as affirmed by your responsiveness to the testimony from City residents at the July 15, 2015, Public Statement Hearing.

As you know, Mayor de Blasio has committed to ensuring all New Yorkers have access to affordable, high speed broadband. The City agrees, as you stated in the letter, that competitive choice for voice, video and broadband is vital to ensure the services are accessible and affordable

for residents. That requires franchisees deliver on the commitments they have made to the City and the State.

In our recently completed audit of the Verizon FiOS franchise, we found that Verizon has failed to fulfill the franchise requirement to pass all households in New York City with its FTTP network. In particular, the audit shows

- **Verizon has not run fiber throughout enough of the City’s residential neighborhoods to deliver on its commitments.** DoITT field inspections confirm that blocks claimed by Verizon as completed in fact have not had installed the necessary equipment to deliver service.
- **Verizon’s own records indicate that service is “unavailable” at certain residential addresses, despite company claims that it can deliver service to all New Yorkers who want FiOS.** In fact, as you heard at the Public Statement Hearing, there is evidence of callers being told by Verizon that the company has *no plans* to bring FiOS to their address. And for prospective customers, details about current and future FiOS availability are unavailable from either Verizon’s customer service representatives or the company’s website.
- **Verizon has failed to consistently document service requests.** Verizon staff admitted to DoITT that they did not record or track inquiries from prospective customers who requested service before fall 2014. This is in direct violation of the franchise agreement, which requires Verizon to track requests for cable service.
- **Where Verizon *has* accepted requests for service, it has consistently failed to respond to service requests within the required six- and 12-month timeframes.** DoITT’s audit reveals that 75 percent of the more than 40,000 non-standard requests – i.e. requests from buildings that had not previously been wired for FiOS service – that were labeled outstanding as of December 31, 2014, had been *outstanding for over a year*.
- **Despite clear requirements in the franchise agreement, Verizon has only tracked complaints from actual subscribers and has not tracked complaints and inquiries from prospective customers.** The franchise agreement requires Verizon to keep records of all complaints—with no distinction between current and prospective customers – for six years. However, Verizon’s own complaint procedures, glossary, and interviews reveal that the company only records and tracks complaints of actual paying subscribers, rather than potential subscribers who request service in their neighborhoods.
- **Verizon failed to cooperate with the City’s audit of FiOS rollout, in violation of its franchise agreement.** Verizon initially failed to provide access to the systems used in calculating the status of network build, with access granted five months after the initial request. Throughout the course of the audit, and in violation of its franchise agreement, the

company significantly delayed or failed to provide access to various other records, reports, and contracts requested by the City to conduct a full assessment of FiOS implementation.

We have attached the Final Audit Report with the Response of Verizon New York for your consideration. Again, we appreciate your considered attention to this matter. If the City of New York can be of any assistance to the Commission, please contact us.

Sincerely,



Maya Wiley
Counsel to the Mayor



Anne Roest
Commissioner
New York City Department of Information
Technology and Telecommunications

