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**Committee on Energy and Technology
Testimony of Alltel Corporation, AT&T, Sprint Nextel Corporation, T-Mobile USA,
Inc. and Verizon Wireless on Raised Bill No. 5328 entitled "An Act Concerning
Utility Customer Service Complaints" February 26, 2008**

Alltel Corporation, AT&T, Sprint Nextel Corporation, T-Mobile USA Inc. and Verizon Wireless (the "Wireless Carriers") respectfully oppose Raised Bill No. 5328, as we do not believe that this legislation is warranted.

We agree that wireless customer satisfaction is of utmost importance in Connecticut and, indeed, throughout the nation. In fact, satisfied customers are the lifeblood of the industry and we all strive in a very competitive marketplace to address our customers' needs and concerns.

We respectfully submit that the legislation before you today is not needed at this time for the following reasons:

- **The two-year period of complaint data from Connecticut wireless customers, as required by Public Act 05 – 241 has not been completed and analyzed;**
- **Data from Connecticut wireless customers thus far clearly indicates the number of annual unresolved complaints for ALL Connecticut wireless customers for 2006 is extremely low -- approximately 400 out of 2.1 million total wireless customers.**
- **The data thus far clearly indicates no need to continue the same level of scrutiny of wireless carriers, or justify the expenditure of resources by wireless carriers to inform customers how they may contact a Connecticut agency.**
- **While customer complaints have proven to be low, the wireless industry has still taken a number of dramatic steps that will benefit consumers and increase customer satisfaction even more.**

The multi-year process of accepting complaint data from Connecticut wireless

customers, required by Public Act 05 – 241 has not been completed and analyzed.

In 2005, when wireless consumer issues were being debated in Connecticut, the General Assembly determined that the State should carefully examine the number of complaints from wireless customers before considering any legislation to regulate wireless business practices and add expansive reporting requirements. Public Act 05 – 241, authorized a study of the issue by the DPUC to determine whether a problem indeed existed before taking further action. Effective January 2006, the law required the DPUC to receive customer inquiries and complaints regarding wireless service and prepare reports on their findings. Specifically, the law requires that:

“Not later than March 1, 2007, and March 1, 2008, the department shall prepare a report for the preceding calendar year containing information on carrier customer inquiries and complaints. Such report shall include information on consumer complaints regarding activations, disputed bills, collections, deactivations, equipment problems, network trouble and other service problems of carriers as may be relevant for the purposes of the report, provided the report may not include any information that may be a violation of section 42-110b of the general statutes. The information may include an analysis of such complaints and recommendations to address problems raised by customers. The department shall make the report available to the Attorney General and the public, on request and on the department's Internet web site.”

The wireless industry worked closely with the DPUC to ensure that our Connecticut customers, were provided with information as to where they could go if they had an unresolved complaint with any wireless carrier. Each of the wireless carriers took this responsibility very seriously and placed information on our websites, in our stores and in bill inserts notifying customers of the toll – free number and the web site that was available to them to contact the DPUC. We did everything that we could to ensure that our customers knew that the DPUC was available to them should they have an unresolved complaint.

We believe that until the final report is issued by the DPUC this year, any action with respect to the raised bill at this time would be premature. It was precisely the desire of the legislature to review a report in both 2007 and 2008 on this issue before determining what action, if any, should be taken.

Data from Connecticut wireless customers available thus far indicates the number of unresolved complaints for ALL Connecticut wireless customers is extremely low. No additional scrutiny of the wireless industry is necessary.

The process created by the legislature allows wireless carriers to have access to a draft report each year. While we are still analyzing the data and have questions about the numbers contained therein, preliminary review leaves little doubt that any further legislative action is unnecessary at this time. With approximately 2.1 million wireless subscribers in Connecticut in 2006, the total number of 434 complaints is less than one one-hundredth of one percent of the total number of wireless subscribers in the state. (It should be noted that the numbers in the draft report require clarification to determine that all of the 434 complaints recorded in 2006 are indeed unresolved complaints.)

Further, the FCC national wireless complaint rate continues to decline. The FCC received 29,478 complaints in 2004, in large part to the technical glitches involved with Local Number Portability. In 2005, the number of complaints decreased 12 percent to 25,942. Complaints further declined in 2006 by 33 percent as the FCC received 17,415 complaints. This is while wireless subscribers climbed to over 230 million in 2006. That represents a wireless complaint rate of 0.0075 percent or 75 ten thousandths of one percent for 2006.

While every complaint is important to us, these numbers certainly do not support a conclusion that further action, such as is contemplated by Raised Bill No. 5328, should be undertaken.

While customer complaints have proven to be low, wireless carriers have taken a number of steps to increase customer satisfaction even more.

All carriers in the very competitive wireless industry continually look for opportunities to implement consumer-friendly policy changes. Even during the past year, customers have seen such enhancements as the prorating of early termination fees; the ability of customers to change plans without extending the contract term; improved billing and disclosure procedures; and the receipt of more information prior to sale, including more detailed coverage maps. Each of these measures is a direct result of our never-ending effort to make the wireless customer experience a positive one.

For the reasons stated above, we respectfully oppose raised Bill No. 5328.