House of Representatives

General Assembly

File No. 519

January Session, 2009

Substitute House Bill No. 6608

House of Representatives, April 6, 2009

The Committee on Energy and Technology reported through REP. NARDELLO of the 89th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING CONSUMER PROTECTION IN TELECOMMUNICATIONS COMPANIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 16-247p of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Not later than **[**April 1, 2000**]** August 1, 2009, the Department of Public Utility Control shall, by regulations adopted pursuant to chapter 54, establish quality-of-service standards that shall apply to all telephone companies and certified telecommunications providers and to all telecommunications services offered in the state, whether competitive, noncompetitive or emerging competitive. All standards shall apply to both business and residential customers, but shall be measured and met for business and residential customers separately. Such standards shall be measured monthly and include, but not be limited to: **[**, measures relating to**]** (1) For customer trouble **[**reports, service outages,**]** report calls and customer service center calls, a specified maximum allowable average holding time before a call is answered by a live representative or, for customers choosing to use an automated system, a maximum allowable holding time before the system takes the caller's information, (2) for number of customer troubles, a maximum allowable number of troubles per one hundred lines, (3) for installation intervals, a maximum allowable time between ordering and the in-service date, (4) for installation appointments met, a maximum allowable percentage of missed appointments based on the number of installation service orders for the time period, (5) for [and] repeat problems, [as well as] a maximum number of times within three months that a customer shall experience line troubles or billing and customer service errors, (6) for response timeliness, [in responding] a specified maximum amount of time for the company to respond to complaints or reports, whether from the customer, the department or the Office of Consumer Counsel, and (7) for out-of-service repair, a requirement that ninety per cent of such repairs shall be made within seventy-two hours of the company's or provider's first notification of the outage. Such standards shall also include a requirement for each company or provider to include on its monthly bills the telephone number for the department's customer service unit. The department shall [include with the quality of service standards methodologies for monitoring] monitor compliance with and [enforcement of] enforce such standards. Such monitoring shall include, but not be limited to, monthly reports by the companies and providers to the department containing performance results for each standard, an explanation of any failure to meet a standard with plans to improve performance, and a section for input from employees of telephone companies and certified telecommunications providers, including a specific section for input from members of collective bargaining units.

(b) Not later than [April 1, 2000] August 1, 2009, the department shall, by regulations adopted pursuant to chapter 54, establish and enforce comprehensive performance standards and performance based reporting requirements for functions provided by a telephone company to a certified telecommunications provider, including, but not limited to, telephone company performance relating to customer ordering, preordering, provisioning, billing, maintenance and repair, [. Such service standards shall be sufficiently comprehensive to ensure that a telephone company meets its obligations under 47 USC 251. Such regulations may also contain provisions the] number portability and preparing infrastructure for additional facilities. The department [deems] shall also take all actions necessary to prevent anticompetitive actions by any telephone company or certified telecommunications provider. No company providing wholesale service in the state shall require any customer to waive such customer's rights to participate in department proceedings.

(c) After failing to meet any standard established pursuant to subsection (a) or (b) of this section for any consecutive two-month period or any three months in a twelve-month period, the department shall impose a significant daily fine equal to a standard percentage of the company's annual gross revenue earned in the state. The fine shall continue to be assessed until the company meets the standard. The department shall transfer the proceeds from such fines to the General Fund. Any company providing wholesale service that causes its wholesale customer to fail to meet the retail standards established pursuant to subsection (a) of this section shall pay any fines incurred by such wholesale customer pursuant to this subsection.

This act shall take effect as follows and shall amend the following sections:		
Section	*from passage*	16-247p

Statement of Legislative Commissioners:
In subsection (b), "infrastructure make-ready" was changed to "preparing infrastructure for additional facilities" for clarity.

ET *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 $	FY 11 $
Public Utility Control, Dept.	GF - Revenue Gain	Potential	Potential

Note: GF=General Fund

Municipal Impact: None

Explanation

This bill requires the Department of Public Utility Control to adopt regulations to establish performance standards for telecommunications companies. DPUC must impose a significant daily fine after a telecommunications company fails to meet any of these standards. The fine must equal a standard percentage of the company's annual gross revenue earned in the state. There is a potential revenue gain to the General Fund if DPUC were to levy this fine against any of the companies.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis

sHB 6608

AN ACT CONCERNING CONSUMER PROTECTION IN TELECOMMUNICATIONS COMPANIES.

SUMMARY:

This bill requires the Department of Public Utility Control (DPUC) to modify, by August 1, 2009, its telecommunications quality-of-service regulations.

By law, DPUC had to adopt regulations to establish performance standards and performance-based reporting requirements for services provided by a telephone company to certified telecommunications providers. Telephone companies (AT&T in most of the state, Verizon in part of Greenwich) provide a number of services on a wholesale basis to other telecommunications companies, such as facility maintenance and repair, and customer billing. The bill requires DPUC, by August 1, 2009, to also adopt regulations addressing number portability (provisions that allow customers to keep their telephone number when they change telecommunications companies) and preparing infrastructure for additional facilities. The bill eliminates a requirement that these standards be comprehensive enough to ensure that a telephone company meets its requirements under federal law. It requires that the regulations include provisions for enforcing the standards.

The bill requires DPUC to impose a significant daily fine after a telecommunications company fails to meet any of these standards for any consecutive two-month period or any three months in a 12-month period. The fine must equal a standard percentage of the company's annual gross revenue earned in the state and continue to be assessed until the company meets the standard. Any company providing wholesale service that causes its wholesale customer to fail to meet the

retail standards under the bill must pay any fines incurred by the wholesale customer. DPUC must transfer the proceeds from the fines to the General Fund.

EFFECTIVE DATE: Upon passage

QUALITY OF SERVICE REGULATIONS

The law required DPUC to establish quality of service regulations for the services telephone companies and certified telecommunications providers provide to their customers. By law, these regulations apply to all companies and all services. The bill specifically requires that the regulations apply to all services, regardless of whether they are competitive. It requires that the standards apply to both business and residential customers, but be measured and met separately for business and residential customers. It requires that the standards be measured monthly.

By law, the standards must address customer trouble reports and timeliness in responding to complaints and reports. The bill additionally requires that for these calls and customer service center calls, the regulations specify the maximum allowable average holding time before a call is answered by a person or a maximum allowable holding time before the system takes the caller's information for customers choosing to use an automated system.

By law, the standards must address repeat problems. The bill specifically requires that they establish a maximum number of times within three months that a customer may experience line troubles or billing and customer service errors.

By law, the standards must have measures related to installations. The bill requires that they set a maximum allowable time between ordering an installation and the in-service date.

By law, the standards must cover timeliness in responding to complaints or reports. The bill specifies that the standards impose a specified maximum amount of time for the company to respond to complaints or reports, whether from the customer, DPUC, or the Office of Consumer Counsel. It is unclear whether this provision applies to providers.

By law, the standards must address service outages. The bill requires that they include requirements that 90% of repairs be made within 72 hours of the company's or provider's first notification of the outage.

The bill also requires the regulations to set a maximum allowable (1) number of troubles per one hundred lines, and (2) percentage of missed appointments based on the number of installation service orders for the time period. Under the bill, the standards must also include requirements that each company or provider include the telephone number of DPUC's customer service unit on its monthly bills.

The law requires DPUC to monitor compliance with the standards. The bill specifically requires that the monitoring at least include monthly reports by the companies and providers to DPUC containing performance results for each standard and an explanation of any failure to meet a standard with plans to improve performance.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute
Yea 21 Nay 0 (03/19/2009)