

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held in the City of  
New York on December 13, 2006

COMMISSIONERS PRESENT:

Patricia L. Acampora, Chairwoman  
Maureen F. Harris  
Robert E. Curry, Jr.  
Cheryl A. Buley

CASE 99-C-0949 - Petition Filed by Bell Atlantic-New York for  
Approval of a Performance Assurance Plan and  
Change Control Assurance Plan, Filed in  
C 97-C-0271.

ORDER ON COMPLIANCE FILING

(Issued and Effective December 15, 2006)

BY THE COMMISSION:

INTRODUCTION AND BACKGROUND

On September 25, 2006 the Commission adopted several changes to Verizon New York Inc.'s (Verizon) Performance Assurance Plan and Change Control Assurance Plan (PAP or Plan).<sup>1</sup> Verizon was directed to file a copy of its amended PAP with the Commission within thirty days of the issuance of that order (compliance filing). The compliance filing is Verizon's attempt to incorporate the changes adopted in our September 25, 2006 order. Any party wanting to comment on Verizon's compliance filing was directed to do so within fifteen days thereafter. No comments were received.

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<sup>1</sup> Case 99-C-0949, Petition filed by Bell Atlantic-New York for Approval of a Performance Assurance Plan, in 97-C-0271, Order Amending Performance Assurance Plan (issued September 25, 2006).

We have reviewed Verizon's compliance filing and find that it successfully incorporates the changes ordered by the Commission in September with one exception: the scoring of Trunk Metric NP-1-03.<sup>2</sup>

#### DISCUSSION

Verizon in the cover letter it filed with the amended PAP on October 25, 2006, indicated that in order to comply with the Commission's order on the handling of Trunk Metrics NP-1-03 and NP-1-04, it must make changes to the performance scoring in the Mode of Entry (MOE) section for these metrics.<sup>3</sup> In particular, Verizon, without elaborating on the nature of its concerns, added footnotes relating to the reporting and bill credit procedure that applies to the NP-1-03 metric.<sup>4</sup> These footnotes state, in part, that when evaluating a particular data month, the final performance score will depend on two additional performance scores for the same measures in the following two

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<sup>2</sup> This metric, along with NP-1-04, measures the number of trunk groups with blockages. NP-1-03 counts the number of trunk groups exceeding the blocking threshold for two consecutive months and NP-1-04 counts the number of trunk groups exceeding the blocking threshold for three consecutive months. These two metrics have been in the trunking MOE since the inception of the PAP.

<sup>3</sup> See cover letter dated October 25, 2006 pp. 2-3.

<sup>4</sup> In its July 18, 2006 comments, Verizon stated that it was "inconsistent" to assign a -1 performance score to the NP-1-03 metric because it did not have a performance standard. Verizon proposed that this inconsistency could be resolved by having the -1 score be triggered if NP-1-04 showed one trunk blocked at least three months and a -2 score assigned if NP-1-04 showed at least two trunks blocked for three months. The Commission considered and rejected Verizon's proposal. Now, in its Compliance filing, Verizon introduces another proposal, that was never raised in the underlying proceeding.

consecutive months (i.e., the "-1" recapture provision).<sup>5</sup> The effect of these footnotes is to, de facto, reinstate the "-1" recapture provision from the original PAP, for the NP-1-03 metric.

Because of the addition of these footnotes to the NP-1-03 metric, we find that Verizon's handling of the scoring of that metric does not comply with our September 25, 2006 order.

Footnote 42 of our September 25, 2006 order states that:

NP-1-03 and NP-1-04 are intertwined in that they measure different intervals relating to the same trunk blockages. Verizon is correct in pointing out that a C2C standard only exists for NP-1-04 (trunks blocked 3 months) It would be preferable to include a NP-1-05 with an interval worse than the C2C standard, e.g., trunks blocked 4 months, but absent such a metric, and **given the continued desire to increase penalties as trunk blockages become more severe, we will retain the current PAP's two metric handling of trunk blockages.** (Emphasis added).

This footnote does not contemplate the use of the "-1" recapture provision. It merely seeks to retain the two-metric approach for trunk blockages in assessing penalties. In fact, tying the "-1" recapture provision to the NP-1-03 metric score undercuts our intent to "...increase penalties as trunk blockages become more severe..." because it provides Verizon an opportunity to correct poor performance. Verizon's use of the "-1" recapture provision contradicts our September 25, 2006 order where we specifically eliminated that provision from the PAP.<sup>6</sup>

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<sup>5</sup> The "-1" recapture provision provided Verizon an opportunity to correct a poor performance month with acceptable performance in the following two consecutive months.

<sup>6</sup> See September 25, 2006 order p. 28.

Therefore, the footnotes in Verizon's compliance filing relating to Trunk Metric NP-1-03 should be omitted from the amended PAP.

CONCLUSION

Based on the foregoing, the Commission accepts Verizon's compliance filing consistent with the discussion herein.

The Commission Orders:

1. Verizon New York Inc.'s amended Performance Assurance Plan, as modified by this order, is adopted and Verizon New York Inc. is directed to file ten copies of its amended Performance Assurance Plan within 10 days of the issuance of this order with Jaclyn A. Brillling, Secretary to the Commission, New York State Public Service Commission, 3 Empire State Plaza, Albany, New York 12223-1350. Verizon New York Inc. shall also post a copy of same to the company's web site and provide electronic copies by e-mail to all the parties on the Case 99-C-0949 Active Party List.

2. This proceeding is continued.

By the Commission

(SIGNED)

JACLYN A. BRILLING  
Secretary