



OFFICE OF THE VICE PRESIDENT

March 2, 2018

TO: CWA New York State Local Presidents
FROM: Dennis G. Trainor, Vice President

Summary of CWA-Verizon Agreement on PSC Service Quality Proceeding

Beginning in 2014, CWA launched a campaign to pressure the New York Public Service Commission to require Verizon to upgrade and repair the legacy telephone network and to expand consumer access to broadband. Our campaign began by recruiting support from over 70 legislators and nearly 20 allied organizations for a petition to the PSC seeking a formal proceeding on service quality. It involved mobilizing thousands of members and community allies to attend public hearings across the state on these issues in the summer of 2015. It involved lobbying on legislation that highlighted the importance of our concerns. And it included making demands about service quality improvement and broadband buildout a key part of our bargaining program leading up to the 2016 strike.

In April of 2016, the PSC, in a sharp reversal from its previous faith in “competition’s” power to guarantee high quality service at reasonable prices, agreed with CWA and initiated a formal proceeding on the shortcomings of the state’s telecommunications services. This led to a lengthy process of discovery, collection of evidence, and exchange of formal legal positions. Several months ago Verizon approached CWA to request confidential negotiations to enter into voluntary settlement talks on the case. In recent weeks, CWA and Verizon have negotiated a Settlement Agreement which we believe successfully resolves the issues we raised and which will shortly be subject to public comment. The PSC staff has endorsed the terms of this settlement, and is prepared to recommend the settlement to the PSC Commissioners for final approval. The Public Utilities Law Project (PULP) is also supporting the settlement.

We believe the Agreement, if approved by the PSC, accomplishes the essential goals we set forth in 2014.

Copper Remediation and Repair

- 1) Verizon will identify 54 Central Offices statewide with the worst service quality metrics and make repairs to them.
- 2) Verizon has agreed to run fiber to at least 100 large apartment buildings in New York City, currently served only with copper infrastructure. This will result in an immediate upgrade in telephone and internet service for customers in these buildings.
- 3) Verizon is required to assess and replace batteries at remote terminals serving critical customers statewide. The number and location of these batteries is not yet determined.
- 4) Verizon is required to remove 64,000 double poles statewide over the next four years.
- 5) Verizon and CWA will jointly implement a Plant Pride Program which enables any technician to submit evidence of bad plant and equipment conditions anywhere in the state to a computerized system. Verizon is required to address at least 75% of such conditions within 30 days. Verizon and CWA will meet regularly to monitor the Program, and report on compliance to the PSC.

Increased Broadband Buildout

- 1) Verizon has been granted NYS subsidies to expand broadband to about 19,000 homes, largely in underserved upstate communities.
- 2) Beyond the homes covered by these grants, Verizon will connect approximately 21,500 additional homes, largely in upstate locations contiguous to the grant-funded expansion.
- 3) Verizon will also expand broadband to an additional 11,000 homes, 7,000 in Long Island and 4,000 in mid- and upstate.

Increased Hiring Commitments

- 1) There will be 70-100 new hires in upstate to support the increased broadband buildout.
- 2) Statewide, there will be 200 additional hires to complete the pole removal work. This is IN ADDITION to 200 workers who have already been hired for this work.

While the company did not agree to everything we demanded, this agreement addresses problems CWA has been raising for years. We will be regularly involved in monitoring the requirements imposed by the settlement. There will be increased work for many of our members for years to come. Service quality for the public will be improved. We will be particularly involved in the Plant Pride Program which empowers our members to identify and

fix problems which we know have affected service quality and the professional responsibilities of our members.

I want to thank all of the locals for their support on this issue over the last three and a half years. We believe this is a considerable accomplishment that is a significant win for telecommunications customers and workers across New York State.

DGT:np

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