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N.J. Board of Public Utilities Approves Settlement Reached in Verizon Service Quality Matter filed by Cumberland County and 17 Southern New Jersey Towns

TRENTON, NJ – The New Jersey Board of Public Utilities (Board) today approved a stipulation of settlement reached among the parties in a case filed by the County of Cumberland and 17 southern New Jersey towns alleging poor service quality by Verizon New Jersey Inc. (Verizon) due to the company’s failure to properly maintain its copper landline facilities, which provide landline telephone and data services to customers in those southern New Jersey communities.

“While the Board was fully prepared to proceed on this matter, the parties were able to reach a negotiated settlement which takes into consideration the needs of each community,” said Richard S. Mroz, President, N.J. Board of Public Utilities.

On November 24, 2015, the County of Cumberland filed a petition with the Board on behalf of 16 rural communities in southern New Jersey asking the Board to initiate an investigation of Verizon’s maintenance of copper landline facilities and infrastructure; alleging Verizon failed to comply with its obligations to maintain and repair its copper line service to ensure safe and proper landline telephone and data transmission for its customers.

After reviewing the petition and subsequent filings, the Board announced and held two public hearings on August 4, 2016, in the City of Estell Manor to hear from the public regarding the allegations in the petition. Approximately 200 people spoke at the public hearings and 151 written comments were received. On August 31, 2016, the petitioners requested that the Board conduct evidentiary hearings. On September 7, 2016, N.J. Rate Counsel filed a request that the Board conduct evidentiary hearings.

On September 19, 2016, Verizon filed a response to the petitioners’ claims, detailing the steps the company has taken to remedy the service quality issues outlined in the petition and comments. As part of the filing, Verizon pledged to continue the company’s efforts to upgrade its infrastructure and outlined a remediation plan for continued copper infrastructure maintenance and improvements.

The parties began negotiations in October 2016 and reached a settlement in March 2017. On May 18, 2017, the petitioners jointly filed a Stipulation of Settlement with the Board. The settlement was reached by the County of Cumberland, City of Estelle Manor, Weymouth Township, Alloway Township, Lower Alloways Creek, Mannington Township, Pilesgrove Township, Upper Pittsgrove Township, South Harrison Township, Commercial Township, Downe Township, Hopewell Township, Lawrence Township, Maurice River Township, City of Millville, Upper Deerfield Township, Fairfield Township, Washington Township and N.J. Rate Counsel.

Key provisions of the agreement are:

1. Copper Maintenance

- Verizon will use its Proactive Preventative Maintenance Tool (PPMT) to identify defective outside copper cables and repair or replace the copper cables.
- The company will conduct daily inspections of outside facilities and resolve issues within 30 days.
- The company will report and meet with the petitioners semi-annually to discuss maintenance activity.

2. DSL (Digital subscriber line) Congestion Relief for select towns.

3. Fiber Deployment

- Verizon will deploy fiber facilities to satisfy its obligation under the Bona Fide Retail Request (BFRR), a stipulation approved by the Board April 23, 2014, to address Verizon's alleged failure to comply with making broadband available in its service territory.
- BFRR Program to provide broadband to select towns

4. BFRR Program

- Verizon will conduct targeted outreach extending the BFRR Program for 18 months, until June 30, 2019. The BFRR was set to expire in December 2017. Verizon is mandated to perform community outreach so that residences and municipalities may avail themselves to the BFRR

5. Customer Trouble Reports

- Verizon will establish unique trouble reports for the 17 communities as a means to measure the results of the agreement.

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