

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 6255

Investigation into the Establishment of)
Wholesale Service Quality Standards for)
Providers of Telecommunications Services)

Order entered: 7/28/99

ORDER OPENING INVESTIGATION

AND NOTICE OF HEARING

Background

On July 2, 1999, the Public Service Board ("Board") issued an Order in Docket 5903, *Investigation into Service Quality Standards, Privacy Protections, and other Consumer Safeguards for Retail Telecommunications Service*, establishing retail service quality standards and consumer protection standards for providers of retail telecommunications services in Vermont. The adoption of service quality standards at the retail level is intended to assure that Vermont consumers receive the superior quality to which they are entitled.¹

In the present competitive telecommunications environment, retail service quality standards alone are not sufficient. Most competing carriers are expected to provide service to retail consumers using not only their own facilities, but also the facilities of the incumbent local exchange carriers ("LECs"). These competitors need a reasonable assurance that the quality of service they receive from the LECs will meet reasonable performance standards and enable them to comply with the retail service quality standards the Board has adopted. The absence of adequate wholesale standards could harm competitors in several ways. A competitor may be placed at a disadvantage if it cannot obtain high service quality or timely processing from the LEC and, as a result, cannot provide retail services to customers at levels similar to the incumbent.

1. See 30 V.S.A. § 202c.

The prospect that a competitor may face such barriers could cause the competitor to construct its own facilities, which may be economically inefficient, or forego service altogether.

Recently, the Board and parties in various proceedings have reiterated the need to establish wholesale service quality standards. In Docket 5903, the parties that stipulated to the establishment of retail service quality standards explicitly requested the establishment of wholesale service quality standards. In Docket 5713, *Investigation into New England Telephone and Telegraph Company's tariff filing re: Open Network Architecture*, the Board concluded that further proceedings to establish such standards should occur, accompanied by appropriate remedies for failure to meet the standards.² More recently, the Department of Public Service ("Department") and New England Telephone and Telegraph Company d/b/a/ Bell Atlantic-Vermont ("Bell Atlantic") reached a stipulation in Docket 6167, *Investigation into an Alternative Regulation Plan for New England Telephone and Telegraph Company d/b/a Bell Atlantic-Vermont*, in which they petitioned the Board to commence a proceeding to expeditiously consider the issue of wholesale service quality for providers of telecommunications services.³

By today's Order, we are initiating the investigation contemplated by the prior Orders. As we stated in Docket 5713, we encourage the Hearing Officer and the parties to work, to the extent feasible, in an informal manner using tools such as workshops to educate participants and narrow issues. The parties also may find the Stipulation in Docket 6167, in which the Department and Bell Atlantic agreed to largely rely upon the wholesale service quality standards adopted in New York, a useful starting point.⁴

ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that:

1. Pursuant to 30 V.S.A. Sections 2, 203 and 209, an investigation into the establishment of wholesale service quality standards for telecommunications service is opened.

2. Docket 5713, Order of 2/4/99 at 38-39.

3. The Board approved this Stipulation from the bench during evidentiary hearings.

4. That Stipulation only binds the Department and Bell Atlantic. Other parties remain free to advocate other standards.

2. Pursuant to 30 V.S.A. Section 8, George E. Young, Associate General Counsel, is appointed to serve as the Hearing Officer in this proceeding.

3. Pursuant to 30 V.S.A. Section 10, a prehearing conference will be held in this matter on Wednesday, August 25, 1999, at 10:00 A.M., at the Public Service Board Hearing Room, Third Floor, Chittenden Bank Building, 112 State Street, Montpelier, Vermont.

Dated at Montpelier, Vermont, this 28th day of July, 1999.

<u>s/ Michael H. Dworkin</u>	)	
	)	PUBLIC SERVICE
	)	
<u>s/ Suzanne D. Rude</u>	)	BOARD
	)	
	)	OF VERMONT
<u>s/ David C. Coen</u>	)	

OFFICE OF THE CLERK

FILED: July 28, 1999

ATTEST: s/ Susan M. Hudson
Clerk of the Board

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board of any technical errors, in order that any necessary corrections may be made.