

SB 48: New Hampshire Bill Would Strip Existing Consumer Protections from Telephone Landline Customers and Prohibit State from Implementing Future Protections for VoIP Consumers

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New Hampshire SB 48 in a Nutshell

See bill at: <http://www.gencourt.state.nh.us/legislation/2012/SB0048.pdf>

This proposed legislation may appear to maintain the New Hampshire Public Utilities Commission's (PUC) regulation of basic phone service, but closer examination should bring serious concern.

- ❖ SB 48 redefines "basic service" in a way that drastically limits the ability of customers to seek redress from the PUC when a company is unresponsive to a complaint about basic service.¹
- ❖ There is no requirement that basic service, which tends to be the most affordable service offering, be provided from service providers other than the incumbent local exchange carrier.
- ❖ SB 48 states that *except for a few select provisions, "the provisions of this chapter shall not apply to any end user of an excepted local exchange carrier, nor to any service provided to such end user."*² This seems to indicate that consumers would be prohibited from raising basic consumer protections which are not excepted or specifically delineated by SB 48 such as:

➤ **RSA 374:1 – duty to provide reasonable and adequate service**

The duty to provide reasonable and adequate service is the bedrock of utility consumer protections. Reasonable and adequate service protections traditionally can include access to voice service; quality of customer service; service response time to trouble reports; notice, billing and termination procedures; call quality (i.e., static on line); and affordable rates.

Every state should be expected to have provision like this, unless it has been legislated away, as looks like may happen in New Hampshire under SB 48 for telecommunications customers. By redefining aspects of "basic service" that customers could validly raise complaints about,³ SB 48 would limit complaints to a much narrower focus. Without the traditional ability of a customer to raise complaints about poor or inadequate service, then except for voluntary company action, no remedy would be forthcoming if a consumer complains about important service issues like access to affordable service and adequate notice of termination.

➤ **RSA 374:2 – duty to implement just and reasonable charges**

➤ **RSA 374:41 – ability of Commission to direct Attorney General to institute proceedings against a company**

¹ See SB 48 at p. 4 lines 19-37 and p.5 lines 1-11 (defining basic service, which excludes instances where basic service is offered in combination with any other service).

² See SB 48 at p.3, lines 22-23, regarding making complaints to the New Hampshire Public Utilities Commission that has traditionally exercised oversight over telephone and VoIP service in the state.

³ See SB 48 at p. 4 lines 19-37 and p.5 lines 1-9.

- **RSA 374:13 – ability of Commission to require recordkeeping**
 - **RSA 374:39 – duty of utility to furnish accident reports that may impact consumer safety; ability of Commission to monitor accident reports**
 - **RSA 374:38 – ability of Commission to proscribe procedures for investigation**
 - **RSA 374:44 – duty of Commission to issue a judgment and grant relief**
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- ❖ SB 48 prohibits Voice Over Internet Protocol (VoIP) regulations, weakens or eliminates regulations for mergers and acquisitions, and allows up to 5% annual rate increase for low-income Lifeline customers. A yearly increase of 10% would be allowed for all other basic service customers.
 - ❖ By prohibiting the Commission from exercising traditional consumer billing and termination and carrier of last resort protections over new voice technologies like VoIP, in the long-run when traditional plain old telephone services is allowed to expire, consumers will have none of the traditional telephone protections that they have enjoyed for decades. SB 48 prohibits the Commission from regulating the new voice technology.
 - ❖ **Consumers today have the same goals they have always had in making a voice call. The value of the network is in the ability of consumers to connect with employers, health providers, emergency services, family and friends. The same historic protections that have enabled New Hampshire consumers to enjoy and maintain access to safe, reliable, and affordable voice service are needed, regardless of what technology is used. But SB 48 would prevent that from happening.**