ATTACHMENT C

Fairfax May Get 2nd Cable TV Provider

By Michael D. Shear
Washington Post Staff Writer
Tuesday , November 21, 2000 ; Page B01

A prospective competitor has applied to compete with Cox Communications for Fairfax County's lucrative cable television business, even as county officials fined Cox for providing poor customer service and county supervisors yesterday lambasted a company executive for offering a substandard product.

Starpower, a joint venture of Pepco already providing some local service, proposes to build a system to provide subscribers with cable television, local and long-distance phone service, and high-speed Internet access. Supervisors will hold a public hearing next month on Starpower's proposal.

The entry of a challenger to Cox's monopoly on the county's 240,000 cable subscribers came as welcome news to supervisors, who have long been critical of Cox and its predecessor, Media General, for providing subpar service at some of the highest rates in the region. Cox does not provide cable service anywhere else in the Washington area.

Yesterday, that criticism reached new intensity, as supervisors warned Cox General Manager Gary T. McCollum that they were losing patience. Complaints to their offices about the cable service have skyrocketed in recent months, they told McCollum.

"They are your customers, but they are my constituents," said Supervisor Penelope A. Gross (D-Mason). "When they are angry at you, they are angry at me, and I don't like that."

For the first time, county officials this month fined Cox $14,600 for failing to live up to contractual standards that require its customer service representatives to answer phone calls in an average of 60 seconds. The company failed to meet that standard for 73 days during the third quarter, officials reported yesterday.

Supervisor Sharon S. Bulova (D-Braddock) told McCollum that if he did not resolve customer complaints soon, she and other supervisors were willing to help the marketplace do it for him.

Referring to Starpower's application, Bulova reminded McCollum that "we do not have an exclusive franchise with Cox. I would like to point out that competition is underway."

McCollum told board members that he is aware of the increasing complaints. But he attributed the problems to the company's ongoing effort to replace aging coaxial cables with high-speed fiber-optic cables.

That work has prompted a doubling of calls to Cox customer service centers, he said. The company has added Sunday service and hired 300 more workers but still cannot handle all its calls, he said.

"We continue to believe we are moving in the right direction," he said. "A customer calling today on a Sunday may have an extended wait. But remember, a year ago there was nobody around to answer their call."

McCollum said the rewiring will be complete by mid-2002, and he promised that by then, customers

will see improvement in picture quality and customer service response times.

Those comments did not seem to mollify supervisors, who last year delayed Cox's purchase of Media General while they demanded answers to long-simmering complaints. Customers in the county have long complained that they are forced to use outdated cable converter boxes that make it impossible to record one show while watching another or to use features of their television sets, such as picture-in-picture. McCollum said fiber optics will solve those problems.

"We expected more progress than we have seen so far," said Supervisor Gerald E. Connolly (D-Providence).

County officials said they hoped that Starpower's interest in Fairfax will help spur improvement. Throughout the industry, cable companies face new competition from satellite companies even as they attempt to compete with phone companies and Internet providers.

For decades, companies such as Cox have operated as monopolies, being the only source of cable television stations such as CNN, the Cable News Network. Starpower, which is fairly new to the region, could change all that.

"Their intent is that . . . ultimately, everybody who has access to Cox will also have as an alternative access to Starpower," said Ron Mallard, the county's chief cable regulator. "It's the condition we've been striving for for a long time--competition in the marketplace."

But county residents probably will have to wait quite some time for intense competition to make a difference, even if supervisors approved Starpower's application as early as next month.

It would take eight to 10 years before the company's system is fully built in Fairfax, Starpower officials said, although some Fairfax residents might be able to order service within a year to 18 months after county officials approved the franchise.

Starpower is building systems in Arlington and Montgomery counties and in Falls Church, and it has temporary approval to offer cable in the District. The company has subscribers in Washington, Gaithersburg and parts of Silver Spring.

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Faster net not always better

Portland subscribers discover that getting hooked up to high-speed broadband service is not without its frustrations

Monday, October 23, 2000

By Craig Brown of The Oregonian staff

Imagine trading in your car for one that cruises the freeway at 1,500 mph -- fast enough to drive to Los. Angeles in 40 minutes.

Unlike airline service, which charges hundreds of dollars and takes two for the trip to Los Angeles, imagine this amazing new car is free and the line only costs $40 a month.

Sound good?

The promise of fast Internet appeals to a broad range of Oregon's small-scale computer users, casual home users, small business operators, online gamers and technophiles. That's why they're signing up by the thousands to get broadband access to the I ternet so that they can travel the information superhighway at speeds 25 times faster than via a dial-up phone modem.

These fast new services -- dubbed broadband because they can put a lot more data through a line at the time -- have been available in the Portland land area for about 18 months.

Until broadband services began appearing, home computer users on dial-up modems that couldn't fully tap the growing stream of video and audio applications on the Internet.

When broadband works, users love it.

But not all are satisfied with their service. Broadband is considered an emerging technology, and problems abound, including lack of access, poor customer service, down times and download speeds that sometimes are much slower than advertised.

Broadband comes into homes in one of two ways: over telephone lines or through television cable.

The phone-line technology is called digital subscriber line, or DSL. It involves hooking a customer's phone line to a special box at a telephone central switching office, where a DSL provider connects it to the Internet. Customers can choose

from roughly two dozen DSL providers, including their phone company. The phone company provides customers with a special modem.

The television cable system, or broadband cable, involves hooking up to the Internet through one of the cable company's central wiring centers, called a head end. As with DSL, subscribers get a special modem. In the Portland area, AT&T, which has offered the service for about six months, has a monopoly on this type of broadband.

Both technologies are easy to use, and customers who haven't had troubles are delighted.

Jesse West, who owns a Northwest Portland store called Click Here Computers, loves his cable broadband service.

"It's worth it," West said, adding that download speeds are frequently "faster than T-1," which is a much more expensive service used by large businesses and universities. Best of all, his service has never gone down.

Both broadband technologies have their fans. But for now in the Portland area, the decision about which to buy may come down to a straightforward issue: access. Not many customers have both choices. And some have neither.

The have-nots include people like Peter Paskill, who owns a corporate outplacement business called CareerMakers. The small business is along the Beaverton-Hillsdale Highway, but Paskill can't get broadband service. He's too far from his district's Qwest central office to get DSL, and AT&T broadband isn't available. Two other competing companies have said they can bring him DSL, but he's been waiting three months and had no action from either.

"A bag of worms"

"This whole electronic stuff is a bag of worms," said Paskill, who'd like to be able to offer faster Internet access to clients who visit his office while searching for jobs. "(There are) a lot of promises, but I am concerned about the follow-up."

Spokesmen for Qwest and Verizon, which between them serve all the metropolitan area, said they've updated virtually all their central telephone offices to handle DSL.

But the technology doesn't work well at a distance or through various amplifiers that are on phone lines, making some customers unservable. Verizon, for example, estimates that only 75 percent of its Portland-area customers meet the distance test. It will take some changes in DSL technology -- likely years away -- to equip the remaining 25 percent for service.

A competing company, Covad Communications, claims its DSL signal reaches up to seven miles from phone companies' central offices, allowing it to serve more customers. Most DSL service is limited to three miles from central offices.

"Virtually everyone can get service," said Suluh Lukoskie, a company

spokeswoman.

However, service is slower the farther you live from a central office, she said. At the end of the line, it may not be much faster than dial-up modem speeds.

AT&T's cable broadband technology doesn't have the distance limits that DSL faces. But the deployment of cable broadband in Portland didn't begin until June 24, due to a legal battle over cable access between the company and local governments, including the city of Portland. The lawsuit has been resolved, and the company is adding access neighborhood by neighborhood.

Service to east Portland area

Next to get service will be the east Portland area, around the Gateway District, a company spokesman said. Service there will begin late this month and will be turned on gradually. By the end of the year, 140,000 homes east of the Willamette River will be eligible to subscribe to broadband access, with the remaining 107,000 homes to be made eligible next year.

Most of west Portland already has access to cable broadband, as do Oregon City and Milwaukie. Portions of Washington County also have service.

AT&T expects to establish broadband access for all of Washington, Clackamas and Multnomah counties and Clark County, Wash., by the end of next year.

Once the access issue is solved, customer service is another problem.

Count Tom Meirelles of Lake Oswego among dissatisfied customers.

Meirelles said he is 300 yards too far from Qwest's central office to get DSL. But it took him awhile to find out.

"Since we have had all of these mergers, it is incredible," said Meirelles, who added that he has had troubles with Qwest (formerly US West) and AT&T. "They refuse to give you or anyone that calls a promise of how fast your service will be."

Analyst Matthew Davis, who follows the broadband industry for The Yankee Group, said customer-service problems are rampant nationwide. They stem from a huge consumer rush to embrace a new, immature industry, he said.

Davis said the industry is struggling with two problems: turning on the service fast enough to satisfy all the demand and troubleshooting the service effectively enough once it is operating.

Companies have created online databases so that would-be customers can see if their address qualifies for service. But the databases often are incorrect and that's created a lot of anger, Davis said.

Dave Jacobsen, Verizon's Northwest manager of infrastructure provisioning, said the database isn't perfect because each customer's situation is different and it's hard to know if there's going to be trouble without testing the line. Verizon is

doing what it can to solve individual problems, including replacing old equipment and deploying new, he added.

Problems arise

More complaints come when the service actually is installed, Davis said. Problems can include less-than-promised speed, dropped connections and unexplained, periodic outages.

That's what happened to Jay Compton of Tualatin, who ordered DSL service through a company he picked based on a low price. He paid in advance for a year's service but had problems playing his favorite online game, called Counter Strike.

He switched to a new provider, DSL-Only, and is "very satisfied" with its service. But he's still trying to get a refund from his former provider. So far, he's had no luck.

"They should be regulated and their performance published," Compton said.

No one tracks these kinds of complaints, but Justin Beech, who operates a New York-based Web site called DSLReports.com, estimated 20 percent of DSL customers run into trouble during installation, while another 10 percent to 20 percent have persistent, annoying problems once DSL service is hooked up.

"It's a lottery, but the chance of winning 'first prize' of a nightmare is much higher than any dial-up or even cable modem service," said Beech, who said his Web site gets about 500,000 visitors a month.

Part of the service problems results from the overwhelming demand, as broadband providers are swamped with phone calls and requests, Davis said.

Though Qwest and AT&T won't release service numbers, AT&T said it is installing 1,250 cable modems a week in Portland. Verizon said it has 10,600 DSL customers in the Portland area, all of whom signed up since spring 1999.

A few weeks ago, Verizon temporarily ran out of capacity to provide its Internet service, Verizon Online, to its DSL customers. The problem was fixed recently, said Melissa Barran, a company spokeswoman.

The adjustment should come as welcome news to such residents as Tim McCoy, who lives near Washington Square. He tried to sign up for the Verizon service but was put on a waiting list. So he tried AT&T only to be told there was no cable broadband in his neighborhood yet.

"I'm living in the middle of the little Silicon Valley here," McCoy said. "It's outrageous. I just want it. I want it now, and I just can't get it."

So what's the solution?

Patience, perhaps.

Analyst Davis expects the problems to decline as the industry gains experience.

"There's a lot of technology here," Davis said. "It's going to work itself out. It's just that patience is needed."

But oh, it's hard to be patient when your need is for speed.

You can reach Craig Brown at 503-294-7621 or craigbrown@news.oregonian.com

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FAIRFAX COUNTY, VIRGINIA

MEMORANDUM

November 15, 2000

TO: Board of Supervisors

FROM: Ron Mallard, Director
Department of Telecommunications
and Consumer Services

SUBJECT: Cox Communications Complaints

On October 30, 2000, as part of the discussion of Cox Communications customer service, the Board asked for information on the related actions taken by the Department of Telecommunications and Consumer Services (DTCS) and the extent to which Cox is offering high speed data service over its cable system. This memorandum responds to that inquiry.

Cox acquired its Fairfax County cable system from Media General Cable (MGC) in October 1999. As was the practice with MGC, County staff has continued biweekly meetings with Cox representatives, where issues relating to customer service, system construction, and inspection are discussed. In January 2000, staff noted complaints concerning Cox's ability to answer its subscriber phone calls was beginning to deteriorate. Cox reported that it was in the process of hiring additional customer service representatives and that conditions should improve over the next several months. In our quarterly report to the Board, dated March 8, 2000 (Attachment I), we noted that complaints concerning Cox's ability to answer its subscriber phone calls were on the increase and that staff was working with Cox to resolve this issue.

Cox's performance did improve. Staff measures this performance by reviewing Cox's average speed to answer (ASA), measured in seconds. The ASA, which includes both answer and call transfer time, must average 60 seconds or less on a daily basis in order to meet the Federal Communications Commission (FCC) cable customer service standards. When comparing to the first quarter of 2000, Cox reduced its noncompliance by 31% by the end of the second quarter. Nevertheless, during the second quarter Cox was still out of compliance 41 days.

On October 4, 2000, staff wrote Cox to request an explanation for the deterioration in its ASA compliance and the time it took to respond to repair service requests (Attachment II). In a letter dated October 18, 2000, Cox responded it was operating under "extraordinary or abnormal operating conditions" that interfered with its ability to comply with the customer service standards (Attachment III).

The County received Cox's third quarter customer service report on November 3, 2000. The report showed that Cox's ASA time of noncompliance went from 41 days in the second quarter to 73 days of noncompliance in the third quarter. The 1998 cable franchise agreement with Cox provides the means to assess liquidated damages for ASA noncompliance. After consultation with the County Attorney, DTCS assessed Cox $14,600 in liquidated damages for the 73 days of noncompliance in the third quarter, in a letter dated November 13, 2000 (Attachment IV).

While the liquidated damages franchise provision allows the County to assess Cox for ASA noncompliance, it does not specifically allow the County to assess liquidated damages for noncompliance of other FCC customer service standards, such as the time permitted to respond to service interruptions. Consequently, the County cannot currently assess liquidated damages for the 35 days of noncompliance in the third quarter during which Cox failed to meet the service interruption response time. However, in the scheduled revision of the Fairfax County Code, Chapter 9 (Cable Communications) to be considered by the Board, new provisions that allow the County to penalize a cable service provider for noncompliance with all County and FCC customer service standards are included.

Finally, the Board asked for information about the deployment of subscriber high-speed data service (i.e., high-speed Internet access). This service is available to subscribers in limited areas where the current cable system architecture can support the technology. Cox will offer its high-speed data service to all of its subscribers once the cable system is rebuilt. In the interim, this service will become available to additional subscribers based on Cox's rebuild schedule. The rebuild is scheduled for completion in May 2002.

If you have any further questions, please call me on 324-5949.

Attachments

cc: Anthony H. Griffin, County Executive
David P. Bobzien, County Attorney
Rob Stalzer, Deputy County Executive
Verdia L. Haywood, Deputy County Executive
David J. Molchany, Chief Information Officer
Michael Long, Senior Assistant County Attorney
Skip Munster, Director, Telecommunications Management Division

Attachment III

Gary T. McCollum

14650 Old Lee Road
Chantilly, Virginia 20151

October 18, 2000

Mr. Ron Mallard
Director and Communications Administrator
Department of Telecommunications and Consumer Services
Fairfax County Government Center
12000 Government Center Parkway, Suite 433
Fairfax, VA 22035-0047

Dear ~~Mr. Mallard~~: Ron

Thank you for the opportunity to address the concerns raised in your October 4 letter regarding Cox Communications' (Cox) compliance with the customer service standards established by the Federal Communications Commission (FCC) and enforced locally by the Fairfax County Department of Telecommunications and Consumer Services (DTCS).

Cox has been recognized nationally on many occasions for its superior commitment to customer service, and it remains our primary objective here in Northern Virginia. But as you suggest in your letter, there are, indeed, significant circumstances that have prevented Cox from meeting the established standards.

The federal customer service standards, as written, begin with the phrase, "under normal operating conditions." As you may recall from our lunch meeting on April 5 and our subsequent meetings on July 24 and October 2, we explained the extraordinary or "abnormal operating conditions" with which we were dealing when the transition from Media General Cable to Cox really began to take effect early this year. The many transitional issues that affected our ability to meet the established customer service standards during the first quarter of 2000, and which continued to adversely impact Cox during the 1 quarter, include, but are not limited to:

- An aging and antiquated cable plant driving numerous and repeated service calls
- The retransmission consent dispute and its aftermath with Fox Television
- Tight labor market, contributing to an already under-staffed call center and technical service/repair operation
- Insufficient training for existing staff carried over from Media General Cable
- Inclement weather with unusually high amounts of rainfall

While Cox continues to make strides in the areas of staffing and training, the aging cable plant continues to present significant challenges to us every day, driving more and more calls for service. And this problem will not go away until the fiber upgrade of the system is substantially completed. And not to be overlooked as a significant factor in missing the 30-second average to answer calls is the unusual amount of rainfall the region experienced during the second quarter. Our 4,300-mile cable plant is almost two-thirds underground, and the wet weather played havoc with the 17-year-old coaxial system, driving an increased number of calls to the call center for service related problems.

As a result, customer call volume increased from 353,640 calls during the first three months of 2000, to 454,673 calls during the second quarter - an increase in calls of nearly 30 percent. This call volume severely hampered our ability to meet the 30-second average call-answering standard.

Cox also has increased the footprint for Road Runner high-speed Internet service availability throughout the County. As a result, Cox performed nearly four times more high-speed data connects in the first hal of 2000 compared with the same period in 1999. In fact, connect activity for both high-speed data service and Cox Cable video service has spiked over the past year (27,695 connects in the first two quarters of 1999, compared with 31,327 connects during the same period in 2000). This activity has had a tremendous impact on the call center.

In addition, Cox initiated an aggressive marketing and public awareness campaign during the first six months of the year, including direct mail and on-air promotion of seven new networks to the channel lineup; letters to customers announcing a basic and expanded basic rate adjustment; and the introduction of a new channel lineup, including many channel position changes. Clearly, the June increase in call volume was a result of the programming additions and channel lineup changes Cox implemented, as well as the rate adjustment announcement. Cox customer care representatives were spending more time on each call with customers, thus prolonging the time we were able to answer the phones for other customers and contributing to the percentage increase in all-trunks busy.

While the aforementioned addresses the first two FCC standards cited in your October 4 letter, Cox has been in compliance with the third standard cited: "beginning work on 'service interruptions' promptly and in no event later than 24 hours after interruptions become known" (47CFR 76.309 (c)(2)(ii)). Our initial diagnostic process on all service calls, including service interruptions, begins immediately with the customer call and a walk-through troubleshooting procedure with our customer care service representatives.

In terms of service interruptions caused by system outages, Cox has responded to service interruptions well within the 24-hour standard. As reported to the County in both the first and second quarter Compliance Report for Customer Service Standards, and as supported in the documents enclosed, response time for repair of service for unplanned outages during the first quarter was 1.9 hours (for planned outages the repair time was no more than 1 hour). In the second quarter, our average response time for repair for unplanned outages was 3.6 hours (repair time for planned outages was 1 hour or less).

With regard to other customer service problems, disruptions or requests for service, Cox has also responded in a timely fashion by promptly scheduling service calls for the next available time. Thus, Cox has complied with the FCC's requirement that cable operators "must begin actions to correct other service problems the next business day after notification of the service problem."

The chart included with your October 4 letter apparently combines "service interruptions" (to which Cox has responded within hours of when an outage is identified -- or immediately as part of our diagnostic procedure upon receiving a call from a customer) with "next day service calls" when measuring compliance with the 95 percent standard. When service interruptions and service calls are measured separately, Cox has been in compliance with these FCC standards at all times.

In light of these ongoing challenges, Cox continues to address the need to improve and enhance our service to our customers in Fairfax County, including the following:

- Increasing staffing from 110 to 165 in the customer care call center and from 185 to 229 in our field/service operations by year-end 2000, while increasing training for both groups;
- Installing a state-of-the-art phone answering system to provide more efficient routing of customer calls;
- Bringing on more experienced personnel to help improve internal processes to provide more timely and efficient customer service.

While the challenges are many, Cox is working rapidly to provide Fairfax County residents with the most advanced voice, video and data capable system in the country. There have been some growing pains along the way, and there will still be some hurdles to overcome as we begin the digital fiber upgrade of the existing cable plant this fall. But when all is said and done, Cox will deliver the ultimate telecommunications platform.

In summary, and based on the aforementioned extraordinary circumstances, Cox respectfully requests that the County exercise its option to issue a waiver and forgive Cox for failing to meet the customer service standards cited in the October 4 letter. We would welcome the opportunity to address the County's concerns during a meeting with you and your staff or before the Board of Supervisors. Cox remains committed to providing County residents with the superior level of customer service they deserve.

Kindest regards,

Gary T. McCollum
Vice President & General Manager

Enclosures

P.S. Ron I will call you to discuss

Gm

Attachment IV

FAIRFAX COUNTY

V I R G I N I A

Office of the Director
Department of Telecommunications
and Consumer Services
12000 Government Center Parkway, Suite 433
Fairfax, Virginia 22035-0047

Telephone: (703) 324-5949 Fax: (703) 803-0489
TDD: (703) 222-8653

November 13, 2000

Gary McCollum
VP and General Manager
Cox Communications, Inc.
14650 Old Lee Road
Chantilly, Virginia 22022

Ref: Liquidated Damages

Dear Mr. McCollum:

In the Franchise Agreement between Cox Communications and the County, the parties agreed that the County would enforce customer service standards established by law or regulation, and specifically agreed to the liquidated damages to be assessed against Cox for each type of violation. As you know, Fairfax County staff have been working with Cox Communications since the beginning of this year to facilitate improvement in Cox's performance of certain operating requirements mandated by the Federal Communications Commission (FCC) and the County's Franchise Agreement. Specifically, Cox repeatedly failed to fulfill two federal requirements governing telephone response time to subscriber calls: 47 CFR 76-309 (c)(1)(ii) and 47 CFR 76.309 (c)(1)(iv). These problems were the subject of many subscriber complaints received by the County.

On October 4, 2000, Fairfax County issued the attached letter notifying Cox Communications that it had apparently failed to meet these two FCC Customer Service Standards. That letter offered Cox an opportunity to explain the circumstances that prevented Cox from meeting those standards, and to present any facts that might warrant a waiver or reduction of the liquidated damages for circumstances beyond Cox's control. Cox's reply of October 18, 2000 advanced several explanations which Cox described as "abnormal operating conditions" that were causes for Cox's failure to meet the performance standard. We have considered that response, but we have reached a different conclusion. Accordingly, the County finds that the events and circumstances cited in the response could have been anticipated and were within the scope of normal operations. Consequently, the County hereby assesses damages against Cox in the amount of $200 per violation pursuant to Section 11, Performance Guarantees and Remedies, Paragraph (e)(6)(D), Liquidated Damages, calculated as described below.

That FCC standard allows separate enforcement for the time taken by a customer service representative in answering a customer call (including wait time) and time taken to transfer calls, if a call needs to be transferred. Cox has provided a composite number (ASA in seconds) for both these standards. Consequently, it is not possible to separately check compliance for the two standards.

Therefore, the County has considered Cox's performance out of compliance only on days when it exceeded sixty seconds. Using that standard the County concludes that Cox was in violation of the customer service standards on seventy-three days in the reporting period as shown below:

	Jul 2000	Aug 2000	Sept 2000	3rd Qtr Total
Number of Days Reported	31	31	30	92
Number of Days Out of Compliance with Response Time	19	25	29	73
Liquidated Damages at $200 Per Day	$3,800	$5,000	$5,800	$14,600

Based on the foregoing, Cox is directed to remit a check for $14,600, made payable to the County of Fairfax, Virginia. Payment must be received within ten (10) business days from the date of this letter.

Sincerely,.

Ron Mallard
Director and Communications Administrator

cc: Anthony H. Griffin
County Executive
David P. Bobzien
County Attorney

Attachment

Attachment II

FAIRFAX COUNTY
VIRGINIA

Office of the Director
Department of Telecommunications
and Consumer Services
12000 Government Center Parkway, Suite 433
Fairfax, Virginia 22035-0047

Telephone: (703) 324-5902 Fax: (703) 803-0489
TDD: (703) 222-8653

October 4, 2000

Mr. Gary T. McCollum
Vice President and General Manager
Cox Communications, Inc.
14650 Old Lee Road
Chantilly, Virginia 20151

SUBJECT: Customer Service Standards

Dear Mr. McCollum:

The Federal Communications Commission (FCC), in compliance with Section 632 of the Communications Act of 1934, as amended, has adopted national consumer protection and customer service standards for franchised cable operators. In Fairfax County these standards are enforced by the Department of Telecommunications and Consumer Services (DTCS).

Following a review by County staff of Cox Communications' (Cox) second quarter 2000 Compliance Report for Customer Service Standards, it was noted that Cox has failed to comply with several of the standards. Staff subsequently examined the customer service records for the first quarter of 2000 and compared both quarters in 2000 to the same period of time in 1999 (see attached chart). As the chart illustrates, there appears to have been a severe deterioration in the level of achievement of customer service standards. Listed below are the FCC standards that Cox has apparently failed to meet:

1. "Under normal operating conditions, telephone answer time by a customer service representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety (90) percent of the time under normal operating conditions, measured on a quarterly basis." 47CFR 76.309 (c)(1)(ii).

2. "Under normal operating conditions, the customer will receive a busy signal less than three (3) percent of the time." 47CFR 76.309 (c)(1)(iv).

3. "Excluding conditions beyond the control of the operator, the cable operator will begin working on " service interruptions" promptly and in no event later than 24 hours after the interruptions become known." 47CFR 76.309 (c)(2)(ii).

Under the terms of the cable franchise, Cox is liable for, and is subject to, specific liquidated damages for its failure to comply with the customer service standards listed above. These damages, listed under the Section titled "Performance Guarantees and Remedies", are found in Paragraphs (e)(6)(D) and (e)(6)(A)(xi). In summary these penalties are: 1) the County may impose $200 in liquidated damages for each day during that quarter that Cox has failed to meet customer service standards with regard to telephone answering time, time to transfer a call to a customer service representative, or excessive busy signals; and, 2) $200 per violation for each day that Cox has failed to respond to a subscriber complaint in timely fashion.

Since the quarterly reports provided by Cox do not average these standards on a daily basis, please provide the daily averages for the first two quarters of 2000 for the following:

- time taken by a customer service representative in answering a customer call (including wait time).
- time taken to transfer calls if a call needs to be transferred.
- percentage of times customers received a busy signal.
- response time to "service interruptions"

Prior to exercising the authority granted by the Cable Franchise Agreement, the Communications Administrator may consider those circumstances that prevented Cox from meeting these standards and may waive or reduce the liquidated damages for good cause. Therefore, I am providing you the opportunity to present any facts concerning your customer service records that will enable us to consider a reduction/waiver of damages. Please provide this information by October 18, 2000.

If you have any questions, please contact Skip Munster or me on 703-324-5949.

Sincerely,

R Mallard

Ron Mallard
Director and Communications
Administrator

Enclosure

cc: Skip Munster, Director, Telecommunications Management Division/DTCS
Paulette Neas, Chief Investigations & Licensing/DTCS
Michael Long, Senior Assistant County Attorney

Customer Service Standard Comparison – January – June 1999 and 2000

Customer Service Standard	FCC Standard	Cox January 2000 (1999)	Cox February 2000 (1999)	Cox March 2000 (1999)	Cox April 2000 (1999)	Cox May 2000 (1999)	Cox June 2000 (1999)
Average Wait time	Not to exceed 30 Seconds	492 Seconds (NA)	270 Seconds (20 Seconds)	32 Seconds (30 Seconds)	32 Seconds (15 Seconds)	74 Seconds (14 Seconds)	180 Seconds (17 Seconds)
% All Trunk Busy	Less than 3% of the time	NA (NA)	NA (NA)	NA (NA)	1% (NA)	3% (NA)	11% (NA)
Service Calls Response Time	Begin working no later than 24 hours 95% of times	Reported on a quarterly basis	Reported on a quarterly basis	Next day service calls 88% times (97.7%)	Reported on a quarterly basis	Reported on a quarterly basis	Next day service calls 72.5% times (96.5%)

*NA-Not available