

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held in the City of  
Albany on January 17, 1996

COMMISSIONERS PRESENT:

John F. O'Mara, Chairman  
Lisa Rosenblum  
William D. Cotter  
Eugene W. Zeltmann

CASE 94-C-0095 - Proceeding on Motion of the Commission to Examine Issues  
Related to the Continuing Provision of Universal Service  
and to Develop a Regulatory Framework for the Transition  
to Competition in the Local Exchange Market.

ORDER INSTITUTING PROCESS TO INVESTIGATE  
THE SALE OF LOCAL EXCHANGE CARRIER  
DIRECTORY DATABASE INFORMATION AND  
DIRECTORY ASSISTANCE SERVICES.

(Issued and Effective July 19, 1996)

BY THE COMMISSION:

BACKGROUND

In this proceeding, the issues of directory assistance, directory listings, and database information were to be addressed. In the Order instituting this proceeding,<sup>1/</sup> it was anticipated that those issues would be resolved through a collaborative process among all parties in the Level Playing Field Module II. However, through collaborative work with the parties, it became evident that comprehensive solutions to those issues would require further development with additional input from telecommunications service providers, competitive directory publishers not directly affiliated with the telephone industry, and other interested parties.

Accordingly, we are instituting a process to further explore the treatment of directory listings, directory assistance (DA) services and directory databases in the transition to competition in the local exchange market. The process will examine the issue of opening the provision of all listing database services to competition, while at the same time ensuring that these information services, essential to the provision of telecommunications services, are continued, and customer privacy is maintained.

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Case 94-C-0095 - Order Instituting Proceeding, (issued February 10, 1994).

DISCUSSION

Competition II - Order Regarding Published  
Directories and Directory Assistance Services

By Order issued September 27, 1995,<sup>1/</sup> the Commission adopted guidelines for the provision and distribution of published directory listings for incumbent local exchange carriers and new entrants to ensure that complete listing information was available to all subscribers. Historically, local exchange companies (LECs) as well as independent publishers have published and distributed listings of telephone subscribers throughout the State. The distribution of these listings is essential to the efficient use of telecommunications services. With the emergence of competition in the local exchange market, the subscriber (whether served by the incumbent LEC or the new entrant) must be assured receipt of a complete and up-to-date directory.

The September 27, 1995 order set forth the following requirements regarding directory listings applicable during the transition period to a competitive local service market, absent a mutually agreed upon alternative arrangement:

1. Incumbent local exchange carriers are required to publish new entrants' telephone listings in their directories.
2. New entrants are not compensated for their listings and incumbent local exchange carriers do not receive a fee for publishing the listings.
3. Additional revenues received from the sale of directory listings to third parties will be shared between the new entrant and incumbent.
4. Incumbent carriers are responsible for making directories available to new entrants for their customers, while the new entrants are responsible for their distribution.
5. Any type of enhanced listing currently tariffed by the incumbent will be made available to all end users at the tariffed rate.
6. New entrants, utilizing incumbent directories, who wish to offer their subscribers advertising in incumbent yellow pages, must make the necessary arrangements with the incumbent.

Regardless of whether incumbents continue to publish the listing information for the new entrants' customers, new entrants may also have that

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Case 94-C-0095, Order Instituting Framework for Directory Listings, Carrier Interconnection and Intercarrier Compensation, (issued September 27, 1995).

information published in the directories of independent publishers or publish their own directories. Independent publishers provide directories in competition with the local exchange providers as well.

With respect to DA services, the September 1995 order stated that incumbents should continue to provide DA services to their customers, as well as to new entrants or their customers during the transition. The rates for these services should be cost-based and negotiated between the parties. The arrangements must adhere to the Commission's Privacy Principles.<sup>1/</sup>

Competition between Incumbents, New Entrants and Other Information Providers

This process will consider the wholesale provision of directory listings and DA services and updates of both, and access to associated databases to publishers of alternate directories, alternate DA providers and other information providers during the transition to competition. Currently, LECs control essentially all directory information. The process will examine whether the availability of complete and timely listing information, on a fair and equitable basis, to all information providers is essential if competition in the provision of listings database information services is to develop fully. The process will also investigate whether such competitive policy will encourage new and innovative developments in information provisioning services.

The subjects to be addressed include:

1. Should alternative directory publishers have access to incumbent and entrant directory databases or database information and at what cost?
2. If access is granted, how should equitable and fair provision of database information be accomplished?
3. Since databases are continually being updated, what issues should be addressed to ensure availability of the most current listing information?
4. What privacy safeguards are necessary regarding listing information?
5. Should DA databases be under the administration of incumbents, their

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Case 90-C-0075, Proceeding on Motion of the Commission to Review Issues Concerning Privacy in Telecommunications, Statement of Policy on Privacy in Telecommunications, (issued May 22, 1991), and Modification and Clarification of Statement of Policy on Privacy in Telecommunications (issued September 20, 1991).

- regulated subsidiaries or independent third parties?
6. What database security issues are involved and how can they be resolved?
  7. With regard to access to new entrant and incumbent DA listing information, what compensation arrangements are necessary and how should they be structured?
  8. Who owns subscriber listing information?
  9. Should cellular and Personal Communications Services (PCS) directory listings be included in incumbent LEC directories and DA databases, as well?
  10. How should access to complete name, location and telephone number information for telephone customers be assured to 911 and emergency services?

#### CONCLUSION

As envisioned in the Commission's order instituting this proceeding, a negotiated or collaborative settlement by the involved parties is the most desirable means of resolving these issues.

This process should not preclude competitors from negotiating nondiscriminatory agreements with incumbents. Its goal is to eliminate an environment in which an incumbent's market position discourages competition in the provision of information services.

Therefore, staff shall seek input from interested parties on the issues listed herein and any other issues raised by parties. An initial meeting will be scheduled with notice to all active parties to describe procedures.

#### The Commission orders:

1. A process to investigate the sale of local exchange carrier directory database information, directory assistance services and database access to competitive carriers, alternative directory providers and directory assistance providers is hereby instituted. The terms, conditions and pricing of providing directory information to third parties during the transition to competition should be addressed as part of this process.

2. Any person who wishes to be an active party in this process should send a letter to the Secretary to the Commission at 3 Empire State

Plaza, Albany, New York 12223-1350 by  
August 15, 1996, stating that he or she wishes to be an active party in the  
"Directory Database process" in Case 94-C-0095. Active parties will be  
notified of meetings to be held to develop and discuss issues.

3. This proceeding is continued.

By the Commission,

(SIGNED)

JOHN C. CRARY  
Secretary