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May 21, 2024

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California Public Utilities Commission (CPUC)
505 Van Ness Avenue
San Francisco, CA 94102

Sent via electronic mail

RE: Judge Glegola’s Proposed Decision to Dismiss AT&T California’s Application, Relief of Carrier of Last Resort Obligations – Application (A.) 23-03-003 - SUPPORT

Dear President Reynolds and Commissioners,

The California State Association of Counties (CSAC), representing all 58 counties in the state writes to strongly support Administrative Law Judge (ALJ) Glegola’s Proposed Decision to dismiss AT&T California’s (AT&T’s) application for relief from their Carrier of Last Resort (COLR) obligations, submitted in Application (A.) 23-03-003 on May 10, 2024.

Maintaining the COLR obligations is crucial for ensuring access to reliable and affordable telecommunications services. Withdrawal of AT&T landlines poses several concerns that will disproportionately affect senior citizens, low-income households, and residents in rural areas.

AT&T is a "Carrier of Last Resort" and required to provide "Plain Old Telephone Service" or (POTS) landline phone service upon request to all residential and business customers within its service territory. POTS has a uniform set of minimum service standards and regulations that do not extend to new technologies that provide similar services, such as wireline Voice over Internet Protocol (VoIP). According to the CPUC's Universal Service rules, carriers like AT&T may opt out of their COLR when another COLR is providing service and assumes COLR service responsibilities. AT&T's Application, on the other hand, requests COLR relief for over 99% of their service territory where AT&T

determines an alternative voice provider exists and does not request a replacement COLR.¹ AT&T's application also requests expedited approval for future COLR relief through a CPUC Tier 1 Advice Letter process.² If approved by the CPUC, AT&T could cancel service to its POTS customers within six months, affecting over 580,000 customers.

COLR obligations play a pivotal role in safeguarding the rights and safety of consumers, particularly those in rural and underserved areas. By designating a carrier to serve as the last resort, it ensures that all residents have access to essential communication services, regardless of their geographic location or economic status. Several counties frequently face natural disasters like earthquakes, fires, and flooding. In these times of emergencies, landlines become the most dependable form of communication. While wireless connection is unreliable and cell phones can run out of battery, copper landlines have stronger receptions during power outages. This is especially important in rural areas where other forms of connectivity may not be available. Approving AT&T's application for relief—beyond disrupting day-to-day lives—may negatively impact residents' ability to receive emergency alerts or call 9-1-1. Furthermore, for some of the most vulnerable residents, especially those in more geographically remote and rural areas without cell phone reception, approval of AT&T's application would result in them paying more for telephone service, receiving lower quality service, being required to purchase phone service as part of an expensive “bundle”, or receiving no phone service at all.

The Commission's COLR withdrawal rules, adopted in Decision (D.) 96- 10-066 and affirmed in D.12-12-038, require either the presence of an existing COLR in the service territory a current COLR wishes to withdraw from, or for a new COLR to volunteer to replace the COLR seeking permission to withdraw. No other COLR serves AT&T's service territory. No potential COLR applied to replace AT&T. Given that AT&T's Application, as amended, does not meet the requirements of the CPUC's COLR withdrawal rules, and the existing undisputed facts of this case make that clear, AT&T's Application should be dismissed.

AT&T has long been a major player in our state's telecommunications industry, and with that role comes a responsibility to serve the public interest. Granting relief from COLR obligations could result in a significant decline in service quality and availability for residents who are already at a disadvantage due to their location. Dismissing AT&T's application for request from relief would prioritize the interests of consumers. It is

¹ AT&T Application submitted in A.23-03-003 on March 3, 2023, at p. 1.

² *Id.*, at p. 38.

essential to uphold these obligations to ensure that all Californians, regardless of where they live, continue to have access to reliable and affordable telecommunication services.

For these reasons, I respectfully ask the CPUC to accept ALJ Glegola's Proposed Decision to dismiss AT&T's application (A.23-03-003). If you have any questions about our position, please contact me at kdean@counties.org. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Kalyn M. Dean".

Kalyn M. Dean
Legislative Advocate
California State Association of Counties

cc: Service List in A.23-03-003