BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Proceeding to Consider Amendments to General Order 133.

Dated: January 6, 2023

Rulemaking 22-03-016 (Filed March 17, 2022)

REPLY COMMENTS OF THE RURAL COUNTY REPRESENTATIVES OF CALIFORNIA ON NETWORK EXAMINATION

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I. Introduction

In accordance with Rule 6.2 of the California Public Utilities Commission ("Commission") Rules of Practice and Procedure ("Rules"), the Rural County Representatives of California (RCRC) submits reply comments to Administrative Law Judge Thomas J. Glegola's August 31, 2022 ruling requesting comments on network examination and the Federal Communications Commission (FCC) Automated Reporting Management System (ARMIS), extended by a subsequent ruling on September 14, 2022. RCRC is an association of forty¹ rural California counties, and its Board of Directors is comprised of one elected Supervisor from each of those member counties. RCRC was granted party status via email ruling by ALJ Glegola on April 26, 2022.

II. Comments

While the Network Exam Phase I and Phase II Reports are focused on specific wireline telephone carriers (AT&T and Frontier), much of the findings are broadly applicable across other service providers especially in areas that lack robust market options and competition. Specifically, rural customers over the years have consistently experienced:

¹ RCRC most recently welcomed Kings County as a member.

- Widespread service quality deterioration and disinvestment (e.g. copper removal), especially with respect to resiliency efforts that would maintain consumer access to service.
- Greater investments into higher-income communities (digital red-lining), disproportionately leaving rural and low-income customers with fewer market options in terms of choice, quality and affordability of options.
- Internet Service Provider (ISP) relinquishment of DSL service, forcing customers into higher priced products².
- Imposition of data caps, service speeds not reflective of advertised services, and higher prices for basic connectivity.

Furthermore, despite Commission Decisions 20-07-011 and D.21-02-029 adopting, respectively, wireless and wireline provider resiliency strategies—including that wireless and wireline providers install 72-hour backup power requirements in Tier 2 and Tier 3 High Fire Threat Districts—many of these customers still do not have access to 9-1-1 when the power goes out. This is a common experience during automatic fast-trip electrical outages such as PG&E's Enhanced Powerline Safety Settings (EPSS) program. Investor-Owned electric utility fast-trip programs are expanding,³ but do not have a commensurate level of regulatory scrutiny as Public Safety Power Shut-offs (PSPS)⁴ events, which are, among other things, required to be a last resort as well as reduce over time through system hardening measures (e.g. covered conductor, vegetation management, undergrounding).

RCRC does not dispute the findings of the Network Exam Phase I and Phase II Reports, especially that areas of the state with less competition experience lower service quality. Of particular importance to rural counties, we urge the Commission to adopt the following recommendations contained in the Network Exam:

1. Include VoIP and broadband within the scope of General Order 133.⁵ The establishment of minimum service standards should be uniformly applied from a consumer standpoint.

² October 1, 2020 confirmation by AT&T that it will be phasing out DSL. USA Today article: https://www.usatoday.com/story/tech/columnist/2020/10/03/att-dsl-internet-digital-subscriber-line-outdated/5880219002/

³ PG&E's EPSS program more than doubled in 2022 to 988 circuits over 25,500 miles, covering 44 counties with EPSS-capable circuits. See *PG&E 2022 Wildfire Mitigation Plan Update*, page 733-734. Southern California Edison's fast-trip program, called Fast Curve Settings, will increase its sensitivity settings to have 78 percent of its High Fire Threat District distribution lines enabled with fast-trip capabilities by 2024. See Office of Energy Infrastructure Safety *Draft Decision on Southern California Edison Company's WMP 2022 Update*, page 78.

⁴ See the most current set of guidelines per Commission Decision 21-06-034.

⁵ Phase 2 Report, Recommendation 1, page 728.

2. Impose financial penalties based on service quality standards of each wire center, not on a companywide, aggregate basis.⁶ Using company averages greatly skews regulatory monitoring and enforcement in persistently failing locations—specifically those that lack carrier competition.

The Commission should <u>not</u> adopt different requirements for Plain Old Telephone Service (POTS), VoIP or wireless services. Instead, the existing service quality standards in place for legacy POTS should transition to current technology services (such as VoIP, wireless, broadband) through technological neutrality. As expressed in the Phase 2 Network Exam report, "the scope of regulation should apply with respect to the *functionalities* that is deemed essential and in need of some level of regulatory protection, and *not* with respect to the technology that is involved." This is especially important given consumer trends away from POTS. For example, in 2020, approximately 87 percent of total 9-1-1 calls in California were from non-wireline services, such as wireless and VoIP.8 Yet, as referenced below, remaining POTS users need continued protections, especially as those rural residents are mostly in areas prone to natural disasters with an acute need for reliable telecommunication.

Small Business Utility Advocates

RCRC supports the opening comments of the Small Business Utility Advocates (SBUA) and concurs with their experience as legacy POTS customers. Many rural customers are reluctant to give up legacy POTS given the poor, unreliable alternatives, or, many times, do not have an alternative service provider and are left paying high prices for paltry service.

Cal Advocates

RCRC agrees with Cal Advocates that "The Network Exam relies on sound methodologies utilizing the companies' own data and provides analysis that is clear and well-supported to adopt the service quality recommendations in the instant proceeding. The Network Exam's methodology includes the tracking of service quality outcomes over time and across communities (based on both geographic and income-based differences). Examining service quality outcomes over time is foundational to ensuring reliable communications services for all Californians, no matter the technology type."

⁶ Page 729, Phase 2 Report, Recommendation.

⁷ Page 724.

⁸ See California's <u>Twelfth Annual Fee Report State Filings</u>.

⁹ Page 2, December 21, 2022 Opening Comments

Additionally, as stated above, it is a matter of public health and safety "to establish minimum service quality standards for today's essential communications services to protect customers..." and that GO 133 data "reinforces the decline in total working lines or traditional telephone service, amongst all providers." 11

Joint Commenters (The Utility Reform Network, Center For Accessible Technology, And The Communications Workers Of America)

RCRC generally agrees with the statements made by the Joint Commenters in opening comments, outlining that more, not less, stringent, and comprehensive regulation of all telecommunication providers is needed, specifically recommending increased penalties for underperforming service providers and implementing "similar penalty mechanisms for wireless and VoIP service providers."

RCRC agrees with the Joint Commenters that, "The Network Exams describe conditions and industry-wide trends that raise concerns that wireless and other VoIP providers, like their ILEC counterparts, are failing to sufficiently address service quality issues. For example, the Reports highlight the lack of competition among POTS service providers and the general trend of voice providers pushing customers to adopt more expensive, less regulated services. These industry-wide trends and conditions include lack of network resiliency, the prioritization of higher-income communities over lower-income communities, and disinvestment. For these reasons, the service quality standards and reporting should be extended to include other VoIP and wireless and not be restricted to POTS service as is the case with GO 133-D."¹²

Likewise, RCRC concurs with assessments and recommendations by the Joint Commentors in applying network redundancy when considering service quality standards of wireless and VoIP providers, as well as the value of applying reporting requirements to these providers. Joint Commenters state: "...it is important for the Commission to receive data that is broken out on a monthly basis, even if this is contained in reports filed quarterly. This allows staff to be better able to track trends and identify locations experiencing repeat trouble problems." ¹³

¹⁰ Page 9, December 21, 2022 Cal Advocates Opening Comments

¹¹ Page 3, December 21, 2022 Cal Advocates Opening Comments

¹² Page 9, December 21, 2022 Joint Commenters Opening Comments

¹³ Page 22, December 21, 2022 Joint Commenters Opening Comments

Lastly, RCRC agrees with Joint Commenters that "...in this proceeding, providers have incorrectly argued that consumers have a wide range of competitive choices." They continue, "Accordingly, AT&T and Frontier's failure to meet minimum service quality requirements creates a perverse incentive for other providers to offer substandard service quality in areas where there is little or no competition."

III. Conclusion

RCRC appreciates your consideration of our comments and the recommendations contained herein.

Respectfully submitted,

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Dated: January 6, 2023

¹⁴ Page 14, December 21, 2022 Joint Commenters Opening Comments

¹⁵ Page 15, December 21, 2022 Joint Commenter Opening Comments