

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Consider
Modifications to the California Advanced
Services Fund.

R.12-10-012
(Filed October 25, 2012)

**REPLY COMMENTS OF PACIFIC BELL TELEPHONE COMPANY D/B/A AT&T
CALIFORNIA (U 1001 C); AT&T CORP. (U 5002 C); TELEPORT
COMMUNICATIONS AMERICA (U 5454 C); AND AT&T MOBILITY LLC
(NEW CINGULAR WIRELESS PCS, LLC (U 3060 C); AT&T MOBILITY
WIRELESS OPERATIONS HOLDINGS, INC. (U 3021 C); AND SANTA BARBARA
CELLULAR SYSTEMS LTD. (U 3015 C)) ON PHASE I STAFF PROPOSAL
APPENDED TO FEBRUARY 14, 2018 AMENDED SCOPING MEMO
AND RULING OF ASSIGNED COMMISSIONER AS APPENDIX B**

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April 2, 2018

Pursuant to the schedule set forth in the *Amended Scoping Memo and Ruling of Assigned Commissioner*, issued February 14, 2018 in the above-captioned docket (“Amended Scoping Memo”), AT&T¹ hereby provides reply comments on the Phase I Staff Proposal appended to the Amended Scoping Memo as Appendix B.

Last year, the California legislature established a Broadband Adoption Account to increase publicly available or after-school broadband access and digital inclusion. Eligible applicants include local governments, senior centers, schools, public libraries, nonprofit organizations, and community-based organizations. For-profit Internet Service Providers (“ISPs”), such as AT&T, are not eligible to participate in the program.

The Amended Scoping Memo specifies that Phase 1 of this proceeding will “resolve issues necessary to implement a process to award grants for the Broadband Adoption Account.”² Most of the parties commenting in this phase of the proceeding appropriately focused their comments on issues concerning the process to award grants. However, a few parties went beyond the scope of the Commission’s instructions for this phase of the proceeding and made recommendations concerning actions for-profit ISPs should take unrelated to the award of grants from the Broadband Adoption Account. We respectfully request that these recommendations be disregarded.

For example, the California Emerging Technology Fund (“CETF”) argues that the Commission should urge or require incumbent ISPs to regularly and publicly report their progress in signing up low-income households in California for their available broadband

¹ Pacific Bell Telephone Company d/b/a AT&T California (U 1001 C); AT&T Corp. (U 5002 C); Teleport Communications America, LLC (U 5454 C); and AT&T Mobility LLC (New Cingular Wireless PCS, LLC (U 3060 C), AT&T Mobility Wireless Operations Holdings, Inc. (U 3021 C), and Santa Barbara Cellular Systems, Ltd. (U 3015 C)).

² Amended Scoping Memo, p. 5 (Feb. 14, 2018).

affordable offers.³ This recommendation has nothing to do with the process for granting awards from the Broadband Adoption Account to eligible recipients. It is, therefore, beyond the scope of this proceeding and should be disregarded.

Moreover, it would be especially inappropriate for the Commission to entertain CETF's proposal to force AT&T to publicly report subscribership data. A company's subscribership data are some of the most competitively sensitive and proprietary information the company has. Such data are trade secrets that, if publicly disclosed, could allow a company's competitors to use the information to the company's competitive disadvantage by adjusting their sales, marketing, and customer service practices to better target the company's subscribers or areas where the company is less able to compete.⁴

AT&T's internet access service for low-income customers, "Access from AT&T," was established as a voluntary commitment in the FCC's review and approval of the AT&T/DIRECTV merger. As part of that commitment, AT&T reports national subscriber data for "Access from AT&T" to the FCC for compliance purposes. Those data are confidential and therefore provided under seal. AT&T does not disclose this information publicly. The FCC maintains that information as confidential and not for public disclosure.⁵ There is no basis for the CPUC to do otherwise.

³ Comments of CETF on Phase I issues, p. 11 (Mar. 16, 2018).

⁴ See, e.g., *Re Pacific Bell Wireless LLC*, Decision No. 02-10-061, *Interim Opinion Granting Petition for Modification and Denying Motion to Dismiss but Modifying OII for Greater Clarity*, 2002 WL 31470000 (C.P.U.C. Oct. 24, 2002), *mimeo*, pp. 3, 7 (granting request that information consisting of "identification of Cingular's total California subscriber base" should remain under seal; "the Commission has confirmed the need to preserve the confidentiality of proprietary and competitively sensitive information, such as ... customer base information"); *Re Competition for Local Exchange Service*, Decision No. 99-07-048, *Order Denying in Part and Granting in Part Rehearing and Modifying Decision 98-11-066*, 1999 WL 704042 (C.P.U.C. July 22, 1999), *mimeo*, p. 16 ("The Commission... has consistently protected" "customer base information").

⁵ *In the Matter of Applications of AT&T Inc. and DIRECTV For Consent to Assign or Transfer Control of Licenses and Authorizations*, MB Dkt. No. 14-90, *Memorandum Opinion and Order*, 30 FCC Rcd. 9131, 63 Communications Reg. (P&F) 1, FCC 15-94 (rel. July 28, 2015), Appendix B, § VII.5.

However, the need to keep proprietary information confidential does not mean AT&T cannot collaborate with other organizations to develop ways to increase broadband adoption. Indeed, AT&T has worked with over 700 organizations nationally to help promote “Access from AT&T,” and the number of organizations is growing. We clearly share the goal of maximizing knowledge, and adoption, of our plans. In this spirit, we continue to seek ways to achieve this goal by working with organizations in a collaborative manner, without insisting on unnecessary burdens on each other.

In sum, recommendations to impose requirements on for-profit ISPs are misplaced in this phase of the proceeding. Recommendations here should relate to the process for eligible recipients to receive grants from the Broadband Adoption Account. Moreover, recommendations to require ISPs to make available to the public confidential and proprietary subscription data are contrary to law and good public policy. They should be disregarded.

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Respectfully submitted

/s/

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