BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Establish a Framework and Processes for Assessing the Affordability of Utility Service.

Rulemaking 18-07-006 (Filed July 12, 2018)

REPLY OF AT&T TO COMMENTS ON STAFF PROPOSAL

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September 20, 2019

Pursuant to the Administrative Law Judge's Ruling dated August 20, 2019 ("Ruling"), AT&T¹ hereby replies to comments on the "Staff Proposal on Essential Service and Affordability Metrics" ("Staff Proposal").

Public Advocates Office ("PAO") supports the Staff Proposal to collect and "catalogue" pricing information on broadband services.² TURN also supports the Staff Proposal to analyze the affordability of broadband.³

AT&T agrees with CCTA's comments that because the Staff Proposal is to "assess the affordability of public utility rates," ⁴ and broadband is not a public utility service, broadband must be eliminated from the Staff Proposal. Broadband is an information service over which the Commission is precluded from regulating.⁵

PAO and TURN justify the collection of broadband information for use in the LifeLine and CASF programs. These arguments are flawed because the Assigned Commissioner's Scoping Memo and Ruling dated November 19, 2018 ("Scoping Memo") specifically stated the Commission's public policy programs are outside the scope of this proceeding.⁶

PAO proposes the affordability metric could be used when AT&T or Frontier file an advice letter to change residential voice rates. This is nonsensical. Over thirteen years ago the

¹ Pacific Bell Telephone Company d/b/a AT&T California (U 1001 C) and its affiliates 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)) are collectively referred to hereinafter as "AT&T."

² See, Opening Comments of Public Advocates Office on the Administrative Law Judge's Ruling Inviting Post-Workshop Comments, September 10, 2019, pp.8-11 and 20-21.

³ See, Opening Comments of The Utility Reform Network on Staff Proposal on Essential Service and Affordability Metrics, September 10, 2019, pp. 12-14.

⁴ See, Comments of the California Cable and Telecommunications Association on Staff Proposal, p. 2 (quoting the Administrative Law Judge's Ruling Inviting Comments on Staff Proposal, August 20, 2019, p. 1).

⁵ Restoring Internet Freedom, Declaratory Ruling, Report and Order, and Order, 33 FCC Rcd. 311, at 426 to 428 (2018).

⁶ See, Assigned Commissioner's Scoping Memo and Ruling, November 19, 2018, pp. 4-5.

Commission determined it would no longer exercise rate regulation of AT&T's and Frontier's residential rates because the voice market was fully competitive.⁷

In conclusion, the Staff Proposal's inclusion of broadband in this affordability analysis, and PAO's and TURN's support, is contrary to the parameters in the OIR, the Scoping Memo, and the ALJ Ruling. Consequently, broadband must be eliminated from the Staff Proposal.

September 20, 2019

Respectfully submitted,

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⁷ See, Order Instituting Rulemaking on the Commission's Own Motion to Assess and Revise the Regulation of Telecommunications Utilities, Decision 06-08-030, (August 24, 2009).