

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



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Order Instituting Investigation into the State of
Competition Among Telecommunications
Providers in California, and to Consider and
Resolve Questions Raised in the Limited
Rehearing of Decision 08-09-042

Investigation 15-11-007
(Filed Nov. 5, 2015)

REPLY COMMENTS OF THE WRITERS GUILD OF AMERICA, WEST, INC.

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REPLY COMMENTS OF THE WRITERS GUILD OF AMERICA, WEST, INC.

Writers Guild of America, West, Inc. (“WGAW”), hereby submits these Reply Comments in the above-captioned proceeding in response to the Proposed Decision Analyzing the California Telecommunications Market and Directing Staff to Continue Data Gathering, issued October 18, 2016 (“Proposed Decision.”)

WGAW agrees with the Opening Comments filed by TURN, Greenlining, CforAT and ORA regarding the Proposed Decision’s broadband market findings. As TURN notes, the Proposed Decision incorporates the data and analysis of broadband Internet availability from TURN, ORA, WGAW and CALTEL to support the conclusion that telecommunications markets in California are highly concentrated, with evidence of market failure.¹ This conclusion relies on market definitions that acknowledge the lack of substitutability of wireless and wired broadband.² As TURN notes, the Proposed Decision also correctly makes use of the 25 Mbps downstream/3 Mbps upstream speed threshold to assess concentration in high-speed broadband

¹ Opening Comments of The Utility Reform Network on the Proposed Decision of Administrative Law Judge Bemserfer (Nov. 7, 2016) at 3 (“TURN Comments”).

² *Id.*; Opening Comments of the Greenlining Institute and the Center for Accessible Technology on Proposed Decision (Nov. 7, 2016) at 7 (“Greenlining/CforAT Comments”).

markets in a forward-looking manner.³ WGAW joins these Intervenor in supporting the Proposed Decision’s findings of non-competitive broadband markets.

WGAW agrees with TURN’s caution regarding 5G wireless speculation and identification of ILEC’s intentional desertion of broadband as a key cause of the concentration in high-speed broadband markets.⁴ Google Fiber’s recent announcement that it would be halting its planned rollout of competitive broadband is a reminder that claims of future competition may fail to materialize.⁵ WGAW agrees with ORA’s concern for competitive harms of market concentration from vertically-integrated firms as illustrated by AT&T’s agreement to purchase Time Warner.⁶ Finally, WGAW joins Greenlining and CforAT in requesting greater transparency in the Commission’s monitoring of California’s telecommunications market and competition, in the form of quarterly reports from the Communications Division.⁷

Though Respondents claim in their Opening Comments that broadband issues are beyond the scope of this proceeding,⁸ the inclusion of broadband in the Commission’s stated evaluation of California’s telecommunications markets was clearly intended by the initial Order Instituting Investigation and subsequent Scoping Memo, and has been reinforced by additional rulings since.⁹ The Proposed Decision is consistent with this, reiterating that “it is only possible to

³ TURN Comments at 3.

⁴ TURN Comments at 17-19.

⁵ Karl Bode, *Google Fiber Confirms Layoffs, Some Deployment ‘Pauses,’* DSL Reports (Oct. 25, 2016), <https://www.dslreports.com/shownews/Google-Fiber-Confirms-Layoffs-Some-Deployment-Pauses-138194>.

⁶ Comments of the Office of Ratepayer Advocates on the Proposed Decision (Nov. 7, 2016) at 7 (“ORA Comments”).

⁷ Greenlining/CforAT Comments at 9-10.

⁸ Respondent Coalition Opening Comments on Proposed Decision (Nov. 7, 2016) at 6.

⁹ Order Instituting Investigation to Assess the State of Competition Among Telecommunications Providers in California, and to Consider and Resolve Limited Rehearing of Decision (D.) 08-09-042 (Nov. 5, 2015) at 8, 14, 21, B-3 and B-3; Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge (July 1, 2016) at 2, Appendix A, Issue and Briefing Outline; and Administrative Law Judge Ruling Granting in Part and Denying in Part Motion to Strike (Aug. 8, 2016) at 3.

