



FILED
08/16/19
10:42 AM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to
Evaluate Telecommunications
Corporations Service Quality
Performance and Consider Modification
to Service Quality Rules.

Rulemaking 11-12-001

**ASSIGNED COMMISSIONER'S RULING ADDRESSING CONFIDENTIALITY
ISSUES RELATED TO THE EXAMINATION OF TELECOMMUNICATIONS
NETWORK INFRASTRUCTURE, FACILITIES, POLICIES, AND
PRACTICES ORDERED IN DECISION 13-02-023
(AS AFFIRMED IN DECISION 15-08-041); AND ENTERING
THE NETWORK EXAMINATION REPORT
INTO THE RECORD UNDER SEAL**

Summary

This ruling enters into the record, under seal, the network examination report (Network Examination Report), a study of the telecommunications network infrastructure, facilities, policies, and practices of Pacific Bell Telephone Company dba AT&T California and Frontier California, Inc. (formerly, Verizon California, Inc.), ordered by the Commission in Decision (D) 13-02-023 and affirmed in D 15-08-041 (Network Study).

This ruling also sets forth the process for addressing confidentiality claims with respect to information submitted by AT&T California and Frontier California to the Commission and/or Economics and Technology, Inc., the independent consultant hired by the Commission to perform the Network Study.

The Commission's Legal staff has reviewed the carriers' confidentiality declarations and has concluded that because of the general nature of the

objections raised, these declarations do not adequately set forth the legal and factual grounds for confidential treatment of such information.

By this ruling AT&T California and Frontier California are directed to each file and serve a statement substantiating their confidentiality claims by August 26, 2019. Each carrier shall provide the specific legal and factual basis for confidential treatment of any information claimed to be confidential, and explain the consequences of its release, failing which the Network Examination Report will be publicly released in full.

1. Background

In 2013, the Commission issued D. 13-02-023, finding that “a study of carrier network infrastructure, facilities, policies, and practices...is a necessary foundational activity within this proceeding to help gauge the condition of carrier infrastructure and facilities and ensure the facilities support a level of service consistent with the public safety and customer needs.”¹ The Commission ordered that an independent consultant selected by, and operating under a contract managed by the Commission’s Communications Division, conduct the Network Study.²

In 2015, in D.15-08-041, the Commission affirmed the need to complete the Network Study and ordered staff to initiate this study within six months of the Commission’s adoption of that decision.

Following state contracting rules, the Commission issued a Request for Proposal on October 31, 2017 seeking an independent consultant to carry out the Network Study. On January 12, 2018, a Notice of Intent to Award was posted naming Economics and Technology, Inc. (ETI) as the selected bidder.

¹ D.13-02-023, Finding of Fact (FOF) 1, p. 7.

² See D.13-02-023, p. 12.

In April 2019, upon completion of the Network Study, ETI produced a detailed report entitled “Examination of the Local Telecommunications Networks and Related Policies and Practices of AT&T California and Frontier California” (Network Examination Report). In conducting the Network Study and preparing the Network Examination Report, ETI assembled and relied upon a broad range of data sources, including information obtained from public sources and information obtained directly from the carriers.

Principal among these data sources were the following categories of information:

- Category 1: Reports and raw data that AT&T, Verizon (prior to the transfer of its California ILEC operations to Frontier on April 1, 2016), and Frontier have been required to provide to the CPUC on an ongoing basis pursuant to General Order 133-C/D regarding customer trouble reports and the respective companies’ responses thereto.
- Category 2: AT&T and Frontier responses to data requests submitted by ETI and by CPUC Communications Division staff.
- Category 3: Information and photographs obtained from CPUC staff site visits (e.g., outage locations; network facility maps; photographs of equipment inside AT&T and Frontier Central Offices).
- Category 4: Annual financial reports filed by AT&T California, Verizon California, and Frontier California that conform to the Federal Communications Commission’s Automated Regulatory Management Information System (ARMIS) reporting requirements. While largely discontinued by the Federal Communications Commission (FCC) after 2007, the CPUC has continued to require these reports to be filed by Uniform Regulatory Framework Incumbent Local Exchange Carriers (ILECs).
- Category 5: Public financial data and disclosures obtained from annual, quarterly and special reports – 10-K, 10-Q

and 8-K reports – as filed by the two ILECs’ parent companies – AT&T Inc., Verizon Communications, Inc. and Frontier Communications, Inc. – with the Securities and Exchange Commission (SEC), as well as Annual Reports to Shareholders and other shareholder communications issued by the various parent companies.

- Category 6: Industry data and reports published by the CPUC and FCC.
- Category 7: Statewide and county-wide industry data for California published by the FCC.
- Category 8: Other government data sources, including the US Census Bureau, the Bureau of Labor Statistics, various California state agencies, and the National Oceanographic and Atmospheric Administration.

Of the numerous data sources above used by ETI in conducting the Network Study, nearly all of the Category 1, 2, 3 and 4 information provided by the carriers in data files, responses to data requests, and other source material to the Commission and/or ETI was submitted with confidentiality claims pursuant to Pub. Util. Code section 583 and General Order 66-C or 66-D.

The validity of these claims is subject to Commission review. In the meantime, based on these claims, the Commission’s Communications Division has published on its website a redacted version of the Table of Contents and the Executive Summary from the Report.³

2. Ruling

The Network Examination Report is entered into the record of this proceeding under seal due to the confidentiality claims raised by AT&T and Frontier pursuant to GO 66-C or 66-D and Pub. Util. Code 583, as discussed above. The Commission has not yet evaluated the validity of these claims.

³ <https://www.cpuc.ca.gov/General.aspx?id=6442462050>

The Commission's Legal staff has reviewed the carriers' confidentiality declarations submitted with information provided to the Commission and/or ETI. Staff concluded that because of the general nature of the objections raised, these declarations do not adequately set forth the legal and factual grounds for confidential treatment of such information.

By this ruling AT&T California and Frontier California are directed to each file and serve a response substantiating their confidentiality claims with respect to any information claimed to be confidential by August 26, 2019. Each carrier shall provide the specific legal and factual basis for confidential treatment of Category 1, 2, 3 and 4 information submitted to the Commission and/or ETI, and explain the consequences of its release, failing which the Network Examination Report will be publicly released in full.

IT IS SO RULED.

Dated August 16, 2019, at San Francisco, California.

/s/ CLIFFORD RECHTSCHAFFEN
Clifford Rechtschaffen
Assigned Commissioner