# 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

## REPLY COMMENTS OF AT&T ON ALTERNATE PROPOSED DECISION OF COMMISSIONERS FLORIO AND SANDOVAL

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AT&T¹ hereby submits its Reply to Comments filed regarding the Alternate Proposed Decision of Commissioners Florio and Sandoval ("APD"). As discussed herein, the APD should not be adopted.

### I. REPLY TO JOINT CONSUMER GROUPS

Joint Consumer Groups<sup>2</sup> support the APD, contending the examination of AT&T's and Verizon's networks "remains a necessary foundational activity. . . . " They agree with the APD that the examination will "potentially inform the development of new and improved metrics to measure service quality." The truth of these parties' contention, that the examination is foundational and will inform new and improved metrics, is belied by the fact that each of these parties has already urged detailed changes to the current metrics and also has urged adoption of penalties for failure to meet the metrics. It is self-evident that the network examination is not foundational for these parties to propose new metrics and penalties. President Picker's Proposed Decision to defer the examination of the networks recognizes the fact that the network examination is not foundational for the service quality metrics proposed by certain parties.

<sup>&</sup>lt;sup>1</sup> Pacific Bell Telephone Company d/b/a AT&T California (U 1001 C); AT&T Corp., f/k/a AT&T Communications of California, Inc. (U 5002 C); Teleport Communications America, LLC, f/k/a TCG San Francisco (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)).

<sup>&</sup>lt;sup>2</sup> The Center for Accessible Technology ("CforAT"), The Greenlining Institute ("Greenlining Institute"), the Office of Ratepayer Advocates ("ORA"), and The Utility Reform Network ("TURN").

<sup>&</sup>lt;sup>3</sup> Joint Consumer Groups Comments p. 1.

<sup>&</sup>lt;sup>4</sup> *Id.* (quoting APD at 11).

<sup>&</sup>lt;sup>5</sup> See, e.g., Comments of TURN on the Assigned Commissioner's Amended Scoping Memo and Ruling, pp. 4-10 (Oct. 24, 2014); Opening Comments of Greenlining Institute and CforAT on 2014 Staff Report on Wireline Telephone Service Quality, passim (Oct. 24, 2014); Comments of ORA on Communications Division's September 2014 Staff Report on California Wireline Telephone Service Quality, pp. 3-18 (Oct. 24, 2014); Opening Comments of CforAT, Greenlining Institute, and TURN on ALJ Ruling Setting Dates for Comments and Reply Comments on Staff Proposal, passim (Mar. 30, 2015); Comments of ORA on Communications Division's February 2015 Proposal for Modifications to General Order 133-C, pp. 3-8 (Mar. 30, 2015).

<sup>&</sup>lt;sup>6</sup> See PD. p. 4.

Thus, deferring the examination is both logical and prudent, as the parties supporting the examination have proven they do not need it to propose new metrics.

If the Commission nevertheless decides to follow the Commission-adopted Scoping Memo<sup>7</sup> and moves forward with the network examination, it must also then adhere to the goals of this Rulemaking and other issues set out in the Commission-adopted Scoping Memo. The goals of this Rulemaking are to review the performance of telecommunications companies in meeting GO 133-C metrics and to assess whether the service quality metrics adopted in D.09-07-019:

- meet the goals of the service quality measures;
- provide consumers with relevant information;
- are relevant to today's regulatory environment and market;
- need additional measures and/or penalty mechanisms added; and
- should be revised to cover wholesale interconnection services.

The Commission-adopted Scoping Memo specifically identified the evaluation of the existing service quality standards to determine their relevance in the current regulatory and market environment, their usefulness for customers in their purchase decisions, determination of the need for new or modified service quality metrics, and determination of the need for penalties as necessary first steps before adoption of new metrics and penalties.<sup>8</sup>

AT&T has submitted extensive and unrefuted evidence proving that the Out of Service metric is inherently flawed, and the allegations of substandard performance are flatly wrong.

AT&T has also submitted extensive and unrefuted evidence proving that the competitive market and the insubstantial role now played by traditional wireline service call for eliminating service

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<sup>&</sup>lt;sup>7</sup> See D.13-02-023, Attachment A.

<sup>&</sup>lt;sup>8</sup> *Id*. at 7.

quality metrics. Verizon has also provided evidence supporting these conclusions. Before the Commission modifies the metrics or adopts penalties, it must first evaluate both the need for the metrics as well as the efficacy of the current metrics.

### II. REPLY TO VERIZON

AT&T agrees with Verizon that failure to meet the Out Of Service and the Business

Office Answer Time measures do not support the need for network examinations. Both of these
measures address customer service, not the health of the network. The Trouble Report metric
reflects the health of the network because network failures and problems result in Trouble
Reports. The fact that this metric has been consistently met supports deferring the network
audits.

#### III. CONCLUSION

The APD should not be adopted. The facts show the network examinations are not needed at this time and should be deferred. The Proposed Decision of President Picker should be adopted by the Commission.

Dated this 28<sup>th</sup> day of July 2015 at San Francisco, California.

Respectfully submitted,

/s/

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<sup>&</sup>lt;sup>9</sup> Verizon Opening Comments on the Alternate Proposed Decision of Commissioners Florio and Sandoval to the Proposed Decision of Commission Picker, p. 3 (July 23, 2015).