



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

**FILED**

09/30/24

04:59 PM

R2406012

Order Instituting Rulemaking  
Proceeding to Consider Changes to  
the Commission's Carrier of Last  
Resort Rules.

R.24-06-012

**COMMENTS OF THE CALIFORNIA FARM BUREAU FEDERATION  
ON THE ORDER INSTITUTING RULEMAKING PROCEEDING TO CONSIDER  
CHANGES TO THE COMMISSION'S CARRIER OF LAST RESORT RULES**

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Dated: September 30, 2024

## I. INTRODUCTION

Pursuant to the schedule established in the Order Instituting Rulemaking Proceeding to Consider Changes to the Commission's Carrier of Last Resort Rules (Rulemaking) dated June 20, 2024, establishing September 30, 2024, for opening comments, the California Farm Bureau Federation (Farm Bureau) submits these comments in response to the questions posed in the Rulemaking. Furthermore, as directed by the Rulemaking, the submission of responsive comments by Farm Bureau will position it to be a party to the proceeding.<sup>1</sup>

Farm Bureau requests that the following person be added to the service list as its

Party Representative:

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Farm Bureau is California's largest farm organization, working to protect family farms and ranches for its nearly 27,000 members statewide and as part of a nationwide network of more than 5.8 million members. Organized over 100 years ago as a voluntary, nongovernmental and nonpartisan organization, it advances its mission throughout the state together with its 54 county Farm Bureaus. Farm Bureau strives to protect and improve the ability of farmers and ranchers engaged in production agriculture to provide

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<sup>1</sup> Rulemaking, Page 9.

a reliable supply of food and fiber through responsible stewardship of California's resources.

Key to the ability of farmers and ranchers throughout the state to operate effectively and safely is a reliable communication system. Farm Bureau appreciates the thoughtful undertaking by the California Public Utilities Commission (Commission) to address Carrier of Last Resort (COLR) parameters, but recognizes that it will be a significant process to reach solutions that are fair to consumers while moving forward with the benefits of new technology. We have been informed by several of our county Farm Bureaus that elimination of basic voice over telephone service in their geographic areas would pose significant impacts, which concerns are implicated by the COLR rules. Several counties throughout the state face periodic emergencies and have limited connectivity through wireless service and are thus dependent upon available land lines to ensure that they can reach services and contacts when necessary. Throughout the state geography dictates the ability of residents to reliably depend on cell phones for effective communication. Although mountainous areas and foothills are notorious for limited cell service dependability, even areas in the valley can be unreliable. Our members view the reliance upon landlines as a minimum service that cannot be abandoned without assurances of reliable service and are also interested and concerned about the ability of other providers to replace existing services.

## **II. PRELIMINARY SCOPING OF ISSUES**

The Rulemaking sets out the preliminary scoping of issues in the proceeding, requesting responses to questions relative to revisions of COLR rules. Farm Bureau presents its responses below to the questions posed. In responding to the questions Farm

Bureau found the report prepared by the National Regulatory Research Institute titled “Carrier of Last Resort: Anachronism or Necessity?”<sup>2</sup>(NRRI Report) to be instructive as to the questions surrounding whether COLR rules should be revised or eliminated and possible solutions to those questions. The NRRI Report collected information from the states through survey questions.<sup>3</sup> Clearly, like California, many states throughout the United States are considering issues that are similar. With that background Farm Bureau responds to the Rulemaking questions with the perspective of the needs of its members.

**a. Is it still necessary for the Commission to maintain its COLR rules? Here, the Commission adopts a rebuttable presumption that the COLR construct remains necessary, at least for certain individuals or communities in California.**

We recognize that it is timely to revise the COLR rules, although it is prudent to do so incrementally in order for both providers and consumers to adjust. Therefore, it is necessary to maintain some type of rules and protections for many areas of the state; that need is evident from the Decision Dismissing With Prejudice the Application of AT&T California to Withdraw as a Carrier of Last Resort.<sup>4</sup> Until relevant technology improves and it can be assured that residents in this state can be confident that family, friends, and emergency services can be reached in times of need, accommodations must be made for existing uses of landlines.

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<sup>2</sup> Carrier of Last Resort: Anachronism or Necessity?; Sherry Lichtenberg, Ph.D., Principal Researcher, Telecommunications National Regulatory Research Institute, Report No. 16-06, July 2016. <https://pubs.naruc.org/pub/FA85B978-00A3-862C-5E8D-9E10816FA7DB>

<sup>3</sup> NRRI Report, page v.

<sup>4</sup> Application 23-03-003, Decision 24-06-024.

In 2016 legislation was introduced, AB 2395 (Low), that proposed significant changes to these rules. Although the legislation did not advance, the analysis presented in the Assembly Committee on Utilities and Commerce provided an insightful commentary regarding the dilemma of advancing technology while preserving safeguards for consumers, stating that:

“For example, if a telephone corporation removes POTS but the alternative service available is a wireless option, but the customer’s service area has bad wireless reception, arguably this is not an alternative service option. In addition, if the alternative service option available is a service that is bundled with additional features at a cost much higher than the stand alone POTS cost, it is arguable that is also not an alternative service option.”<sup>5</sup>

Farm Bureau considers this identified matter as the fundamental issue that must be addressed as changes move forward. It is a complex matter, as the need for the construct is driven by locations that are not reliable as well as events, such as weather or disruptions, that might render reliability unpredictable. The obligation to provide access to universal and adequate service is particularly important in rural and underserved areas, where the cost of service may be high, as well as in those areas where a focus on competition might result in carriers “cherry picking” customers, that is, choosing “high value” customers over those more difficult or costly to serve.<sup>6</sup>

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<sup>5</sup> AB 2395, 2016 (Low), Assembly Committee on Utilities and Commerce Analysis, Page 6.

<sup>6</sup> NRRI Report, page 1.

**b. Should the Commission revise the definition of a COLR, and if yes, how should the Commission revise that definition? What should be the responsibilities of a COLR?**

Farm Bureau recognizes that current COLR parameters provide for a suite of responsibilities that are likely not applicable to current conditions. For Farm Bureau members basic service that provides for a wired access line should not be eliminated for those with existing service unless and until technology assures that wireless technology is sufficiently robust in the geographic area impacted. Even then it may be prudent to require study and reporting over the course of several years to determine whether the wireless technology will be sustained and available during emergencies.

**c. Should the Commission revise how it defines a COLR's service territory?**

Farm Bureau does not have a position regarding these questions, but may offer feedback at a later time.

**d. Are there regions or territories in California that may no longer require a COLR? Are there regions that require COLR service? If yes, how should the Commission distinguish between the two? What criteria should be met for a region or territory to no longer require COLR designation?**

Regarding regions that require COLR service, it is Farm Bureau's position that until robust alternatives are available basic service must continue to be available that includes wire access. Certain regions of the state are particularly vulnerable to coverage gaps, such as Mendocino County, where the geography prevents useful reliance on wireless alternatives. As noted earlier, robust analysis of most regions

of the state is needed before basic service is discontinued. Farm Bureau recommends that the Commission institute a study that includes outreach to customers most likely to be impacted by a change in the designation of the status. Although the entity conducting the study should elicit information from the current COLR providers, it should be an independent provider to ensure objective analyses.

**e. Can the Commission require Voice over Internet Protocol (VoIP) providers to be COLRs? If yes, should the Commission designate VoIP providers as COLRs?**

Farm Bureau does not have a position regarding these questions, but may offer feedback at a later time.

**f. Can COLR service be provisioned using wireless voice service? Can the Commission direct wireless voice providers to serve as COLRs? If yes to both, should the Commission designate wireless voice providers as COLRs?**

Farm Bureau does not have a position regarding these questions, but may offer feedback at a later time.

**g. If the Commission does not have the authority to require a wireless voice provider to offer COLR service, is a wireless voice provider eligible to volunteer to be a COLR? If yes, should the Commission grant such an application? Should the requirements of a potential wireless COLR be different than a COLR offering Plain Old Telephone Service (POTS) or VoIP service?**

Farm Bureau does not have a position regarding these questions, but may offer feedback at a later time.

- h. Should the Commission revise the requirements of basic service? If yes, which requirements or elements should be revised, and what should be those revisions?**

Although basic service requirements in California may be more extensive than are required in other states, certain elements should be retained, such as access to emergency services and requirements for special programs, such as Lifeline.

- i. Should the Commission revise the subsidy amount offered for participation in the California High Cost Fund-B? What is an appropriate subsidy amount and how should it be calculated?**

Farm Bureau does not have a position regarding these questions, but may offer feedback at a later time.

- j. Should the Commission revise its rules for how and when a COLR is allowed to withdraw from its designated service territory? If so, how should the Commission revise its rules? Should the Commission require that the service of a potential replacement COLR be functionally similar to that of the current COLR? If yes, what similar functionality requirements should the Commission adopt?**

Farm Bureau does not have a position regarding these questions, but may offer feedback at a later time.

- k. When should a COLR seeking to withdraw be required to notify residents in the COLR territory of its request to withdraw? What should be included in**



**the contents of that notification? What method(s) should be used for notification?**

Presumably, it will only be in areas with alternatives to wire access that the Commission will entertain the ability for a COLR to withdraw; however, even in those areas, residents must be provided ample time to make other arrangements. Residents should be provided at least a year to assess other options. Even in the case of electrical customers who are forced to change their tariff options, a year has been a practical amount of time to provide for notification of the change and assistance with alternative choices. The study that Farm Bureau recommends be conducted should also include an analysis of the optimum method to reach out to customers whose services will be impacted.

**I. If a COLR applies to withdraw, and a new COLR is designated, is there a need for a customer transition period? If yes, how long should that transition period last? What customer service protections, if any, should the Commission impose as part of a customer transition period? What other elements or processes, other than customer protections, should be provided in a customer transition period? How long should a customer transition period last?**

Farm Bureau does not have a position regarding these questions, but may offer feedback at a later time.

### III. CONCLUSION

Farm Bureau appreciates the opportunity to engage in the discussion regarding best practices for assuring robust availability of telecommunication services. COLR policies have been a critical part of ensuring universal access to telecommunication services. Competition and the transition to broadband have reduced but not eliminated the need to designate a carrier that will provide service in areas where competition has not taken root.<sup>7</sup>

COLR policies provide a backstop for areas where competitive carriers may choose to withdraw service and those areas where carriers may fail or may abandon service altogether. In those areas, the designation of a carrier of last resort remains important rather than anachronistic. COLR duties remain a key means of ensuring the universal availability of both voice and broadband services.<sup>8</sup>

Farm Bureau supports changes to the existing construct, but not in a manner that results in customers having no reasonable access to reliable services.

Dated: September 30, 2024

Respectfully submitted,

By 

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<sup>7</sup> NRRI Report, page 42.

<sup>8</sup> NRRI Report, page 43.