

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



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01/30/26

04:59 PM

R2406012

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

R.24-06-012
(Filed June 20, 2024)

**PACIFIC BELL TELEPHONE COMPANY D/B/A
AT&T CALIFORNIA'S (U 1001 C) OPENING COMMENTS ON
ADMINISTRATIVE LAW JUDGE'S RULING
ISSUING STAFF PROPOSAL FOR COMMENT**

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January 30, 2026

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Pacific Bell Telephone Company d/b/a AT&T California (U 1001 C) (“AT&T California”) respectfully submits these Opening Comments in response to the Administrative Law Judge’s Ruling Issuing Staff Proposal for Comment issued on December 15, 2025 (“Ruling”).

I. INTRODUCTION AND EXECUTIVE SUMMARY

AT&T California appreciates the opportunity to comment on the Staff Report on changes that should be made to the Commission’s carrier of last resort (“COLR”) rules.¹ The Commission adopted its COLR rules and designated incumbent local exchange carriers (“ILECs”) as the COLRs 30 years ago. Over the last three decades, competition and technological innovation in telecommunications have transformed the way people communicate. Consumers overwhelmingly prefer the myriad advanced options that they now have for voice service. This transformation has rendered plain old telephone service (“POTS”) effectively obsolete.

The Commission’s COLR rules have not kept pace with these marketplace developments: They continue to have the effect of requiring ILECs—and only ILECs—to devote substantial resources to maintain their copper networks to provide outdated POTS and features that consumers no longer want or need, and their competitors no longer offer. These significant resources would be far better spent by COLRs for expansion of the broadband networks that provide the services that today’s customers demand.

The staff proposal properly recognizes the need to reform the Commission’s COLR regime. Most importantly, it envisions a pathway for existing COLRs to relinquish their obligations in areas with alternative service, where universal service no longer requires the

¹ Carrier of Last Resort and Network Modernization Staff Report (filed Dec. 15, 2025) (“Staff Report”).

COLR's presence. This key aspect of the staff proposal would further the ultimate goal of universal access to voice service while both leveling the competitive playing field and freeing up resources for expanded broadband deployment.

Nonetheless, as discussed below, the staff proposal contains a number of provisions that should not be adopted, as they would delay meaningful COLR reform for many years or even prevent it entirely. The staff proposal would preclude COLR relinquishment in many areas where consumers have reasonable—indeed, superior—alternatives to POTS or where COLRs have no customers at all. The staff proposal also includes a number of burdensome, unnecessary procedural requirements that would dramatically slow COLR relinquishment. In addition, the staff proposal would effectively require COLRs—but not their competitors—to deploy broadband networks throughout their territories. This extraordinary unfunded mandate far exceeds the Commission's legal authority and could preclude California from receiving federal Broadband Equity Access and Deployment ("BEAD") program funding. Finally, the staff proposal neither would immediately remove admittedly obsolete basic service elements nor clearly explains the transition from basic service to modernized essential service ("MES").

Given the complexity of the staff proposal and the likely range of comments, AT&T California respectfully requests that the assigned ALJ direct the staff, after considering the parties' comments, to propose rules for the parties' further comments rather than proceed directly to a proposed decision. Allowing comments on the proposed rules would ensure that the rules undergo a thorough vetting. The parties in this proceeding are "in the best position, and ha[ve] the greatest incentive, to inform the agency about possible unintended consequences of a

proposed regulation.”² The Commission has in the past sought comments on the text of its proposed rules.³ It should follow this practice here given the complexity and importance of COLR reform.

A. The Commission Should Adopt Several Aspects of the Staff Proposal.

As the staff proposal recognizes, the Commission should make significant changes to its COLR regime. Three aspects of the staff proposal, in particular, should be reflected in the Commission’s final rules. *First*, the staff proposal understands that COLR obligations are unnecessary where consumers have a choice of providers.⁴ However, as discussed below, one alternative provider is sufficient to preserve universal service.

The communications marketplace looks nothing like it did when the Commission promulgated its COLR rules 30 years ago. Consumers have largely abandoned legacy POTS and migrated overwhelmingly to non-tariffed, all-distance services. In 1996, 95 percent of California

² *Tidewater Marine W., Inc. v. Bradshaw*, 14 Cal. 4th 557, 568–69 (1996) (citations omitted); *see 640 Tenth LP v. Newsom*, 78 Cal. App. 5th 840, 853 (2022) (citations omitted).

³ *See, e.g., Ord. Instituting Rulemaking Regarding Broadband Infrastructure Deployment & To Support Serv. Providers in the State of Cal.*, D.22-04-055, 2022 Cal. PUC LEXIS 161, at * 3 (Apr. 21, 2022) (adopting rules that would implement the Federal Funding Account (“FFA”) grant program after an earlier ruling requesting comment on proposed rules); Admin. L. Judge’s Ruling Issuing Staff Proposal 1 (filed June 27, 2024), in *Ord. Instituting Rulemaking Proceeding To Consider Amends. to Gen. Ord. 133*, R.22-03-016 (simultaneously seeking comment on the staff proposal and proposed edits to the rules); *Ord. Instituting Rulemaking To Update the Cal. Lifeline Program*, R.25-11-005, 2025 Cal. PUC LEXIS 567, app. B (Nov. 20, 2025) (the staff proposal included proposed revisions to General Order 153). In the BEAD and California Advanced Services Fund (“CASF”) proceedings, both the staff proposal and proposed decisions contained proposed rules for comments. *See Ord. Instituting Rulemaking Proceeding To Consider Rules To Implement the Broadband, Equity, Access, & Deployment Program*, D.24-09-050, 2024 Cal. PUC LEXIS 550, *2–11 (Sept. 26, 2024); *Ord. Instituting Rulemaking Regarding Revisions to the Cal. Advanced Servs. Fund*, D.25-11-003, 2025 Cal. PUC LEXIS 559, *1–2 (Nov. 20, 2025). Indeed, the Commission sought comment on the proposed original COLR rules before adopting them in 1996. *See Rulemaking on Comm’n’s Own Motion into Universal Serv. & To Comply with the Mandates of Assembly Bill 3643*, D.95-07-050, 1995 Cal. PUC LEXIS 600, at *2, *133–49 app. A (July 19, 1995).

⁴ *See Staff Report* at 17.

households subscribed to COLR basic service.⁵ Today, just three percent of households in AT&T California’s service territory do.⁶

Given this shift, AT&T California is no longer the leading service provider in its territory, as it was in 1996. Consumers have overwhelmingly switched to mobile wireless service.⁷ Mobile providers not only offer ubiquitous voice service, but data service as well. For fixed service, cable companies such as Charter, Comcast, and Cox are the leading wireline providers. They not only have the largest share of fixed broadband connections,⁸ but also use their broadband networks to offer VoIP. In California, there are now more VoIP than POTS connections.⁹ That said, wireless providers have invested heavily to offer fixed broadband service and are rapidly expanding their offerings and customer bases.¹⁰ Finally, a number of

⁵ See Indus. Analysis Div., Common Carrier Bureau, FCC, *Trends in Telephone Service* 3 tbl. 2 (May 1996), <https://www.fcc.gov/file/8215/download>.

⁶ See Pac. Bell Tel. Co. d/b/a AT&T Cal.’s (U 1001 C) Opening Comments on Admin. L. Judge’s Ruling Regarding Comments on Topics Discussed at Aug. Workshops 1 n.3 (filed Nov. 21, 2025) (“AT&T California November 2025 Comments”).

⁷ See Nat’l Ctr. for Health Stat., *National Health Interview Survey Early Release Program* 1 (2025), https://www.cdc.gov/nchs/data/nhis/earlyrelease/Wireless_state_202506.pdf (finding that, as of 2023, California adults relied exclusively (76.6 percent) or mostly (14.7 percent) on their wireless phones and that 3.8 percent relied equally on their wireless phones and landline (*i.e.*, POTS or broadband VoIP); only 1.7 percent of California adults were “landline-only” and only 1.9 percent were “landline-mostly”).

⁸ See FCC, *Data Download, FCC National Broadband Map*, <https://broadbandmap.fcc.gov/data-download/data-by-provider?version=jun2025> (last visited Jan. 14, 2026) (comparing California fixed broadband data (excluding fixed wireless) shows that each of Charter, Comcast, and Cox provides more fixed wired broadband connections in California than AT&T).

⁹ See FCC, *Voice Telephone Services: Status as of June 30, 2024* (May 16, 2025), <https://docs.fcc.gov/public/attachments/DOC-411462A1.pdf> (as of June 30, 2024, there were roughly 593,000 consumer-grade switched access voice connections and 2,591,000 consumer-grade interconnected VoIP connections in California); see also FCC, *Voice Telephone Services Report – State Subscriptions* (June 30, 2024), https://www.fcc.gov/sites/default/files/VTS_State_Subscriptions_J23_to_J24.xlsx.

¹⁰ See Patrick Halley, *Over 13 Million Homes and Counting: Maximizing the Promise of 5G Home Internet Service with Smart Policies*, Wireless Infrastructure Ass’n (Aug. 21, 2025), <https://wia.org/over-13-million-homes-and-counting-maximizing-the-promise-of-5g-home-internet-service-with-smart-policies/> (“Together, [Verizon, T-Mobile, and AT&T] have brought millions of new broadband connections to U.S. households [over the past few years].”).

companies (such as Starlink, Amazon Leo, Globalstar, and AST SpaceMobile) are deploying satellites in low-earth orbit (“LEO”) and beginning to offer robust voice and broadband services, including in areas that cannot be economically served by wireline networks.¹¹

Second, the staff proposal properly supports use of objective standards and data, including government broadband-coverage maps, to determine where a COLR can relinquish.¹² Although AT&T California believes the Commission’s and the Federal Communications Commission’s (“FCC”) coverage maps are highly accurate, the staff proposal contains a “safety valve”: a company-run challenge process to resolve questions about coverage at particular locations.¹³ As provided in the staff proposal, Commission involvement will only be necessary if the consumer disagrees with the company’s resolution of the challenge.¹⁴ AT&T California believes this is a sensible approach. With this safety valve based on actual coverage received by customers, further requirements to “estimate” indoor coverage are unnecessary.

Third, the staff proposal properly proposes not to carry over to MES certain basic service elements that are no longer relevant to consumers. Many of the current basic service elements were designed for a bygone era when customers depended primarily on wireline voice services. The staff proposal for MES would exclude such relics as directory services, access to operator

¹¹ See *Starlink Direct to Cell*, Starlink, <https://starlink.com/business/direct-to-cell> (last visited Jan. 23, 2026); *Voice and Data*, Globalstar, <https://www.globalstar.com/en-us/products/voice-and-data> (last visited Jan. 20, 2026) (“*Globalstar Voice & Data*”); *SpaceMobile Network*, AST SpaceMobile, <https://ast-science.com/spacemobile-network/> (last visited Jan. 26, 2026) (“*AST*”). Amazon Leo does not appear to have a native voice solution although it supports over-the-top voice services. See *Amazon Leo*, Amazon, <https://leo.amazon.com/> (last visited Jan. 20, 2026). Viasat has partnered with the European Space Agency to deploy LEO direct-to-device systems. See *European Space Agency (ESA) and Viasat Partner on D2D*, Viasat (Jan. 28, 2025), <https://www.viasat.com/news/latest-news/corporate/2025/european-space-agency--esa--and-viasat-partner-on-d2d/> (“*Viasat – ESA D2D*”).

¹² See Staff Report at 70–72.

¹³ See *id.* at 38–39, 72.

¹⁴ See *id.* at 39.

services, and one-time free blocking for information services and billing adjustments for erroneous charges.¹⁵ Importantly, the staff proposal for MES would ensure that Californians continue to have access to reliable voice service, including provisions for public safety and accessibility.¹⁶ However, as discussed below, MES incorporates an unlawful broadband-deployment mandate.

B. The Commission Should Revise Aspects of the Staff Proposal with Profoundly Negative Consequences for COLR Reform.

Although the staff proposal includes promising elements, there are several aspects that the Commission should not adopt. Foremost, the staff proposes an extraordinary expansion of the obligations of COLRs—it proposes they effectively take on the sole obligation of providing universal *broadband* coverage throughout their service territories. *Second*, it fails to provide a process for areas with no demand. *Third*, the staff’s standard for significant consumer choice areas where a COLR can relinquish its designation fails to reflect the full range of voice alternatives. *Fourth*, the staff proposal includes unduly burdensome procedures that would extensively delay or possibly preclude a COLR from relinquishing its designation even where appropriate.

1. The Proposed Broadband Deployment Mandate for COLRs

The staff goes beyond proposing standards for COLR relinquishment or redefining basic service by recommending a significant expansion in the obligations of COLRs. The

¹⁵ See *id.* at 12–14, 54–55, 63, 64. In addition to not including these obsolete elements in MES, the Commission should lift them immediately for basic service. There is no reason to wait up to five years for the transition to MES to remove these anachronisms.

¹⁶ See *id.* at 12–14. Under the staff proposal, MES would include free access to “all successor version[s] of the 911 system such as Enhanced 911 or Next Generation 911.” *Id.* at 13. To the extent a COLR’s network does not support the full functionality of a successor version, this element should be limited to interconnection to deliver communications, as required by the FCC’s rules, from the COLR’s network to the successor version of the 911 system. See 47 C.F.R. § 9.29.

Commission’s COLR rules have always focused on ensuring access to voice service. However, the staff proposal, read literally, would require each COLR to deploy *broadband* service extensively within five years.¹⁷ The Commission lacks legal authority to impose such an unfunded broadband deployment requirement on just a subset of market participants. Likewise, numerous provisions of the federal Communications Act—as well as the Fifth and Fourteenth Amendments to the Constitution—would preclude the mandate.

2. The Continued COLR Requirement for Areas Without Demand for Service

The staff proposal would require each COLR to meet the proposed standard for relinquishment even where there is no demand for COLR basic service because, for example, the area is uninhabited. Instead, the Commission should adopt a streamlined process for removal of the COLR obligation in those areas.

3. The Restrictive Definition of Significant Consumer Choice Areas

In several respects, the staff proposes an overly restrictive relinquishment standard—that is, the identification of areas where, in the staff’s parlance, there is “significant consumer choice.” *First*, the staff treats wireless as less significant than wireline service. The staff’s definition of “qualified provider” would categorically exclude *fixed* wireless service.¹⁸ Further, despite unrefuted evidence that a wide majority of adult Californians rely solely on mobile

¹⁷ Specifically, the staff proposal would require each COLR to provide MES by the end of this period, and MES would include offering “LifeLine service for bundled voice/broadband service or standalone broadband service.” Staff Report at 13. To offer broadband LifeLine throughout its service territory, a COLR would have to deploy broadband ubiquitously. While the COLR might qualify for relinquishment of its obligation (and thus not have to offer MES) in some places, it is unlikely to know early enough where it will have relinquishment within five years, especially given the lengthy and stringent relinquishment requirements under the staff proposal. Hence, COLRs effectively would have to complete their ubiquitous broadband deployments within five years to ensure compliance.

¹⁸ *See id.* at 21.

wireless for their voice communications,¹⁹ the staff “propose[s] mobile service should be considered as a supplementary service for purposes of consumer choice and not on the same level as a qualified provider.”²⁰ Thus, the definition of “significant consumer choice” cannot be satisfied through the availability of mobile wireless alternatives alone (even if ubiquitous). Moreover, it would require the presence of *two* mobile wireless providers in addition to a facilities-based wireline broadband provider or, alternatively, two facilities-based wireline broadband providers.²¹ In addition, the COLR must also be present as a wireline broadband provider.²²

The staff proposal would also set an enormously high bar for counting mobile wireless as a viable alternative, requiring CalSPEED app testing “throughout the area” from which the COLR seeks to withdraw, potentially in every census block.²³ Government broadband maps are powerful evidence of broadband coverage, including mobile broadband coverage, and the challenge process included in the staff proposal offers an efficient means to ensure customers retain access to vital communications services. To the extent the Commission believes still more is needed, it should replace the staff’s CalSPEED-based proposal with a technically more-suitable method.

The staff would also require there to be a *wireline* LifeLine provider for COLR relinquishment,²⁴ which would effectively eliminate the possibility of COLR relinquishment in large parts of the state. For AT&T California, this requirement would limit the maximum extent

¹⁹ See *supra* note 7 (finding that 76.6 percent of California adults relied exclusively on wireless while only 1.7 percent were “landline-only” (*i.e.*, POTS or broadband VoIP)).

²⁰ See Staff Report at 22.

²¹ See *id.* at 20–22.

²² See *id.*

²³ See *id.* at 70–71.

²⁴ See *id.* at 20.

of COLR relinquishment to the footprints of Consolidated, Cox, and the former Time Warner Cable (now part of Charter’s broader footprint) unless other wireline providers become LifeLine participants.²⁵ As a result, areas like Berkeley, Menlo Park, Palo Alto, San Francisco, and San Jose in Comcast’s service territory in the northern half of the state would not be eligible for COLR relinquishment under the staff proposal.²⁶ These areas are among the most competitive in the state. It makes no sense to adopt a standard that would categorize them as having limited consumer choice, especially as 95 percent of LifeLine customers opt for wireless service, not wireline.²⁷

Second, the staff would also limit a COLR’s ability to relinquish based on whether *the COLR* provides wireline broadband (at any speed), even if other providers do.²⁸ According to the FCC’s National Broadband Map, AT&T California (or an affiliate) offered some type of wireline

²⁵ On December 23, 2025, Comcast submitted an advice letter to participate in the Commission’s Home Broadband LifeLine Pilot. *See* Comcast Phone of Cal., LLC (U-5698-C) Advice Letter No. 196 (Dec. 23, 2025). Comcast’s advice letter became effective on January 21, 2026. On January 13, 2026, Charter submitted similar advice letters, which remain pending. *See* Charter Fiberlink CA-CCO, LLC (U-6878-C) Advice Letter No. 238 (Jan. 13, 2026); Bright House Networks Info. Servs. (Cal.), LLC (U-6955-C) Advice Letter No. 58 (Jan. 13, 2026); Time Warner Cable Info. Servs. (Cal.), LLC (U-6874-C) Advice Letter No. 98 (Jan. 13, 2026). As discussed below, it is unclear whether participation in the Home Broadband LifeLine Pilot would satisfy this element of the “significant consumer choice” definition. *See infra* pages 41–42.

²⁶ Apart from AT&T California, none of the wireline LifeLine participants noted in the Third-Party Administrator data on the Commission’s website serves this part of the state. *See* Cal. Pub. Utils. Comm’n *California LifeLine Related Forms and Notices for Service Providers – Maximus Subscriber Counts* (Oct. 2025), https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/lifeline/customer-count/2025/2025_maximussubscribercountsasof_11172025.xls (“Third-Party Administrator Data”). In light of the Commission’s decision on AT&T California’s application to relinquish its ETC designation, with which AT&T California disagrees, this analysis excludes ConnectTo. *See Application of Pac. Bell Tel. Co. d/b/a AT&T Cal. (U 1001 C) To Relinquish Its Eligible Telecomms. Carrier Designation*, D.25-12-004, 2025 Cal. PUC LEXIS 579, *40–42, *59–64, *103–104 (Dec. 4, 2025), *application for reh’g filed*, Pac. Bell Tel. Co. d/b/a AT&T Cal. (U 1001 C) Application for Rehearing of Decision 25-12-004, at 17–19 (filed Jan. 5, 2026), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M593/K230/593230773.PDF>.

²⁷ *See* Third-Party Administrator Data (reporting that, as of October 2025, 1,735,295 of the 1,821,193 total program participants opt for wireless service).

²⁸ *See* Staff Report at 20, 80.

broadband to 100 percent of the broadband serviceable locations in about 37 percent of the census blocks in or intersecting with its service territory as of June 2024.²⁹ These broadband offerings include fiber and DSL. Areas without ubiquitous AT&T California wireline broadband that nevertheless enjoy substantial broadband competition, such as significant portions of Berkeley, also would not be considered to have significant consumer choice under the staff proposal.³⁰

4. The Unduly Burdensome COLR Relinquishment Procedures

With just three percent of households still subscribing to COLR basic service in AT&T California’s service territory, California is at the end of the transition to modern networks. Yet, the staff proposal recommends a cumbersome process for COLR relinquishment that might have made sense earlier in the transition but is out of place now.

Together, the burdensome and lengthy steps required in the pre-application and application phases would substantially limit COLR relinquishments even in areas that satisfy the restrictive definition of “significant consumer choice.” For each application, the staff proposal would seem to require at least one in-person information session for every 50,000 impacted residents and one within 50 miles of each basic service customer.³¹ With nearly 30 million residents in its service territory, AT&T California would have to hold hundreds of information sessions in the course of relinquishing its COLR designation, even though virtual meetings have proven efficient and effective for Commission public hearings. Each in-person session requires

²⁹ Allowing the COLR or an affiliate to satisfy this requirement with fixed wireless service would increase this amount to about 40 percent of census blocks. *See generally AT&T Internet Air*, AT&T, <https://www.att.com/internet/internet-air/> (last visited Jan. 20, 2026) (describing AT&T’s fixed wireless service, AT&T Internet Air). Another 18.6 percent of those census blocks do not have any broadband serviceable locations.

³⁰ *See* Staff Report at 41–45.

³¹ *See id.* at 34.

substantial resources from the Commission and the COLR, so requiring that many sessions would function as an unjustified brake on the withdrawal process. Furthermore, the proposed limit of the scope of each application to 10,500 square miles and 20 percent of the COLR’s service territory, the limit to one application per COLR per year, and the requirement that each application cover only contiguous territory collectively will cause the relinquishment process to stretch for decades on end.³²

Moreover, requiring General Order 133 compliance for 24 months would unduly delay relinquishment applications.³³ This delay is arbitrary and capricious in two respects. *First*, insisting that “[a]ny carrier that seeks authorization to withdraw as a COLR must demonstrate that they are in compliance with all existing Commission rules and obligations” bears no relationship to the core issue of whether the COLR’s withdrawal would undermine universal service. *Second*, the Commission just revised General Order 133. This compliance prerequisite for a withdrawal application would add a further enforcement mechanism that affects ILECs alone, and not their competitors on whom over 98 percent of California adults rely.³⁴ Such discrimination is arbitrary and capricious.

To relinquish its obligation anywhere that does not qualify as having significant consumer choice (*i.e.*, the limited consumer choice areas), a COLR would have to commit to offering MES for at least 15 years.³⁵ Because of all the restrictions in the “significant consumer choice” definition, AT&T California estimates that adoption of the staff proposal would require

³² *See id.* at 28–29.

³³ *See id.* at 29.

³⁴ *See supra* note 7 (finding that, as of 2023, only 1.7 percent of California adults were “landline-only” (*i.e.*, POTS or broadband VoIP)).

³⁵ *See* Staff Report at 41.

AT&T California to provide regulated service for at least 15 more years in a significant part of the state.

C. Feasible Compromise Solutions Exist for Many of These Issues.

Under the staff proposal, AT&T California estimates, based on currently available data, which are subject to change over time, and its understanding of the definition of “significant consumer choice,” that only areas with under one percent of the square mileage, under 15 percent of the population, and under ten percent of the combined residential and business POTS subscribers in its service territory would qualify as offering significant consumer choice.³⁶ This limited area simply does not reflect the real extent to which Californians have alternatives to POTS—and have switched to them. Adjustments to the staff proposal, however, would allow the Commission to make meaningful COLR reform achievable without undermining the continuation of universal access to voice services. Although AT&T California believes a number of changes to the staff proposal should be made, the key changes necessary to achieve meaningful COLR reform are the following.

Eliminate Broadband Deployment Obligations. The Commission should remove the LifeLine broadband element from the MES definition and eliminate any explicit or implicit mandate that COLRs deploy broadband. Broadband deployment can and should be supported by programs like BEAD, CASF, and FFA.³⁷

³⁶ This estimate is based on 2020 U.S. Census data, National Broadband Map data as of June 2024 and other coverage data reported to the FCC, AT&T California’s study area boundary data reported by the FCC, and AT&T California customer data as of September 2025. These percentages likely would increase if additional wireline providers participate in LifeLine. As discussed below, it is unclear whether participation in the Home Broadband LifeLine Pilot would count for purposes of the “significant consumer choice” definition. *See infra* pages 41–42.

³⁷ However, voluntary broadband deployment should provide an additional path to COLR relinquishment. *See infra* Section V.

Streamline Relinquishment for Areas Without Demand. The Commission should permit a COLR to submit a Tier 2 advice letter to relinquish its obligation in any census block where the U.S. Census Bureau reports no population or where the COLR does not serve any customer address with basic telephone service. The Commission should exempt areas without demand from any other limitations on the COLR's ability to seek to relinquish its obligation.

Determine Wireless Coverage Appropriately. The Commission should recognize government fixed and mobile broadband maps are the best-available evidence to demonstrate the presence of other voice providers at scale. The challenge process in the staff proposal would provide a sufficient backstop for customers where the map data prove to be inaccurate. However, if the Commission believes that further verification is necessary to demonstrate the presence of wireless alternatives, it should adopt a valid, reasonably practicable method as a safe harbor while allowing COLRs the flexibility to propose other methods when they seek relinquishment.

Eliminate Arbitrary Limits on the Number and Scope of Applications. The Commission should set clear criteria for COLR relinquishment and identify acceptable data sources for demonstrating satisfaction of those criteria to permit COLRs to seek relinquishment via advice letters instead of applications. In any event, the Commission should not slow the pace of relinquishment through arbitrary limits on the territorial extent for which a COLR may apply. The Commission also should allow a COLR to seek to relinquish its obligation simultaneously in noncontiguous areas.³⁸

³⁸ As noted below, not capping the number of relinquishment requests that a COLR may file in a year would make the contiguity requirement manageable.

Eliminate the Need To Show GO-133 Compliance. The Commission just revised General Order 133 and should not use this proceeding to add additional enforcement mechanisms for COLRs alone among the providers that are subject to General Order 133.

Eliminate Excessive Information Sessions. Prior to seeking to relinquish its obligation in any area, the COLR should not be required to hold more than one information session for each 50,000 basic service customers in the relinquishment area.

* * *

The remainder of these comments are organized as follows. **Section II** addresses the staff's apparent proposal that COLRs—but not their rivals—be obligated to deploy broadband networks throughout their territories. **Section III** discusses the principal substantive standard for COLR relinquishment proposed by the staff: the significant consumer choice standard. **Section IV** discusses changes that should be made to the relinquishment procedures proposed by the staff. **Section V** argues for additional paths to COLR relinquishment for areas without demand or where the COLR commits to fiber deployment. Finally, **Section VI** addresses miscellaneous issues. **Appendix A** identifies where in these comments AT&T California addresses the various questions posed in the Ruling.

II. THE PROPOSED MODERNIZED ESSENTIAL SERVICE IS UNLAWFUL.³⁹

As explained above, the staff proposal appears to suggest that the Commission should compel COLRs to offer broadband throughout their territories and to regulate “the terms and conditions and pricing practices” for those services.⁴⁰ The staff proposal also contemplates that the Commission would assert jurisdiction over, and regulate the essential terms of, VoIP voice

³⁹ Response to Question II # 1.

⁴⁰ See *supra* note 17.

service offered by COLRs to satisfy their regulatory obligations to provide “all distance” universal voice service.⁴¹ In short, the staff proposal would have the Commission treat high-speed broadband and VoIP offered by COLRs as heavily regulated common-carrier services. As such, the staff proposal puts California’s BEAD funding at risk and, in all events, would be contrary to both state and federal law.

A. The Staff Proposal May Call into Question California’s BEAD Funding.

Adopting the staff proposal would risk California’s ability to obtain federal BEAD funding. In its most recent guidance, the National Telecommunications and Information Administration (“NTIA”) has made clear that states cannot receive BEAD funding if they seek to regulate broadband providers as common carriers. Specifically, NTIA adopted a condition that requires each state receiving BEAD funding “to commit that it will not enforce any law, regulation, or other enforceable obligation that regulates the rates, terms, and conditions of broadband internet service or imposes net neutrality rules, open access, or other utility-style rules on broadband internet service, against a Subgrantee or its affiliates anywhere it provides service within the State.”⁴² This prohibition pertains even to the extent that regulation applies outside of the BEAD-funded territories. As explained above, by compelling broadband deployment and service, the staff proposal would effectively treat COLR-provided broadband as common carriage, thus potentially making California ineligible to receive BEAD funds.

⁴¹ Staff Report at 1, 13–17.

⁴² NTIA, *Frequently Asked Questions Version 16* § 6.1, https://broadbandusa.ntia.gov/sites/default/files/2025-11/BEAD_FAQs_V16.pdf.

B. Adoption of the Staff Proposal Would Violate California Law.

1. The Commission Lacks Regulatory Authority over Broadband.

The California constitution and Public Utilities Code do not permit the Commission to mandate broadband deployment. In particular, the “public utilities” over which they grant the Commission regulatory jurisdiction do not include broadband providers.⁴³ California’s Public Utilities Code emphasizes this limitation. It defines a “telephone corporation” as an entity owning or operating a “telephone line” for “communication by telephone.”⁴⁴ A “telephone line” includes facilities such as conduits, wires, cables, and associated property “used to facilitate communication by telephone.”⁴⁵

While the legislature may have “intended to define the term ‘telephone corporation’ broadly, without regard to the particular manner by which users of telephones are put into communication,” it would stretch “the plain language of sections 233 and 234, subdivision (a)” past the breaking point to include broadband providers as “telephone corporations.”⁴⁶ As the Court of Appeal explained, “[t]he word ‘telephone’ is not defined in the Public Utilities Code, but ‘telephony’ is generally understood as a two-way communication by speaking as well as listening at a distance.”⁴⁷ Although broadband can be used to support telephony, the vast

⁴³ Cal. Const. art. XII, §§ 3, 6; Cal. Pub. Util. Code § 216(a)(1).

⁴⁴ Cal. Pub. Util. Code § 234(a).

⁴⁵ *Id.* § 233.

⁴⁶ *City of Huntington Beach v. Pub. Utils. Comm’n*, 214 Cal. App. 4th 566, 585 (2013).

⁴⁷ *Id.*; see also *Com. Commc’ns, Inc. v. Pub. Utils. Comm’n*, 50 Cal. 2d 512, 522 (1958) (“[I]n telephony ‘one may carry on a two-way communication by speaking as well as by listening.’” (quoting *Television Transmission, Inc. v. Pub. Utils. Comm’n*, 47 Cal. 2d 82, 88 (1958))).

majority of usage is for other purposes.⁴⁸ Accordingly, “facilities-based broadband providers ... are not telephone corporations.”⁴⁹

The Commission has recognized that its jurisdiction does not extend to non-telephony services that telephone corporations also offer, such as broadband. “It is well-established that Internet service is classified for state and federal regulatory purposes as an ‘information service’ and that state commissions such as the California Public Utilities Commission do not have jurisdiction over information services even if the providers also provide ‘communications services’ that are subject to state regulation. Such is the case here.”⁵⁰

2. It Would Be Arbitrary and Capricious for the Commission To Adopt the Economically Unsound Broadband Deployment Mandate.⁵¹

Even if the Commission had the jurisdictional authority to require COLRs to deploy ubiquitous broadband, it would be arbitrary and capricious to do so. Section 1757(a) of the Public Utilities Code requires the Commission to engage in reasoned decision-making, *i.e.*, not to be “arbitrary, capricious, or entirely lacking in evidentiary support.”⁵² The staff proposals that impose broadband obligations on COLRs do not pass this test.

⁴⁸ See, e.g., Sandvine, *The Global Internet Phenomena Report* 11 (Mar. 2024), https://www.applogicnetworks.com/hubfs/Sandvine_Redesign_2019/Downloads/2024/GIPR/GIPR%202024.pdf.

⁴⁹ Cal. Pub. Utils. Comm’n Resol. T-17443, at 1 (June 27, 2014).

⁵⁰ *Peterson v. Verizon Cal., Inc. (U 1002 C)*, D.13-12-005, 2013 Cal. PUC LEXIS 677, at *2 (Dec. 5, 2013) (holding that DSL service provided by AT&T California and Verizon “is not subject to our jurisdiction”) (footnotes omitted).

⁵¹ Response to Question IV (Post-Withdrawal) # 1 & Question V # 1.

⁵² Cal. Pub. Util. Code § 1757(a); see *Cal. Cmty. Choice Ass’n v. Pub. Utils. Comm’n*, 103 Cal. App. 5th 845, 861 (2024) (citations omitted); see also *Woodbury v. Brown-Dempsey*, 108 Cal. App. 4th 421, 438 (2003) (“An administrative agency may abuse its discretion if it acts arbitrarily or capriciously.”). The arbitrary-and-capricious standard of the federal Administrative Procedure Act is analogous to principles governing review of agency action under California law. See, e.g., *S. Cal. Edison Co. v. Pub. Utils. Comm’n*, 85 Cal. App. 4th 1086, 1111 (2000) (applying federal APA precedent in reviewing Commission decision).

a. No Rational Basis Exists in 2026 To Place the Burden of Broadband Deployment on COLRs.

The staff singles out COLRs to bear the likely enormous expense of ubiquitous broadband deployment,⁵³ yet it articulates no legal or factual basis to impose this mandate on COLRs alone. The implicit logic appears to be that the COLRs' very status as COLRs warrants this unique obligation. This logic is untenable.

In 1996, assigning the COLR obligation to ILECs made sense. Historically, local telephone service had been regulated as a natural monopoly in a kind of *quid pro quo* often called the “monopoly compact”: the ILEC was granted the right to run the local monopoly in exchange for agreeing to requirements on service and pricing, including the COLR requirement

⁵³ AT&T California does not know how to estimate the costs accurately at this time given the uncertainties. The costs will depend on the precise requirements the Commission adopts for any broadband mandates, including speeds and any limitations on the COLR's choice of technology. They also will depend on the timelines for deployment, with COLRs' strategic decisions likely influenced by whether relinquishment in areas qualifying for significant consumer choice (if the Commission adopts that proposed standard) would stretch for decades, as it would under the limitations of the staff proposal. *See infra* page 55. Winning bidders will require an average of \$4,655 in BEAD support *per location* to deploy broadband in California. *See* Cal. Pub. Utils. Comm'n Resol. T-17898, at 19 (Dec. 19, 2025). That figure understates the total cost because it excludes the capital the bidders themselves will invest. It also reflects a substantial number of winning bids from satellite providers, reflecting their cost advantages over terrestrial providers like COLRs. *See* Cal. Pub. Utils. Comm'n, *California BEAD Final Proposal – Deployment Projects*, https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/broadband-implementation-for-california/bead/final-proposal/appendix-b---data-files-excel/final/fp_deployment_projects.csv (last visited Jan. 28, 2026) (“BEAD Deployment Projects”); *see also* Jake Neenan, *California Announces Grant Winners with BEAD Final Proposal*, *BroadbandBreakfast* (Dec. 3, 2025), <https://broadbandbreakfast.com/california-announces-grant-winners-with-bead-final-proposal/> (“California Announces Grant Winners”). Three years ago, the Commission estimated that it would cost around \$9,816 per unserved location to deploy fiber to the premises. *See* Cal. Pub. Utils. Comm'n, *State of California Five-Year Action Plan Broadband Equity, Access, and Deployment (BEAD) Program* (Aug. 28, 2023), <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/broadband-implementation-for-california/bead/california-bead-five-year-action-plan--final-draft--20230828.pdf> (citing CostQuest Assocs., *California Broadband Investment Model Last Mile Funding Analysis* (Apr. 2023), https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/broadband-implementation-for-california/ffa-webpages/ca-broadband-investment-model_04212023.pdf). Construction costs have risen substantially since then. *See* The Fiber Broadband Ass'n, *Fiber Deployment Cost Annual Report 27* (2025), https://fiberbroadband.org/wp-content/uploads/2026/01/FBA_Cartesian_Fiber-Deployment-Cost-Annual-Report_2025.pdf (finding that fiber deployment costs have continued to rise from 2024 through 2026).

to provide service to any consumer in its service territory.⁵⁴ Roughly 95 percent of California households then subscribed to ILEC POTS.⁵⁵

In 2026, assigning a COLR *broadband* obligation to ILECs makes no sense. As explained above, today’s marketplace conditions are vastly different than they were 30 years ago with many companies providing broadband services comparable to those offered by COLRs.⁵⁶ Indeed, in many parts of California, cable companies are the leading fixed broadband providers.

Furthermore, the staff proposal provides no funding for the mandate it would impose on COLRs. Originally, the lack of competition allowed ILECs to fund universal service obligations through implicit cross-subsidies. Then, after the federal Telecommunications Act of 1996,⁵⁷ the Commission was required to adopt explicit, competitively neutral subsidies while implicit cross-subsidies became impossible in today’s competitive marketplace.⁵⁸ But, rather than propose actual funding for its proposed broadband-deployment mandate, the staff merely suggests that COLRs may “apply for grant funding to deploy infrastructure enabling these services through federal and state programs.”⁵⁹ This statement merely serves to confirm the lack of funding, but without providing an actual solution.

Commission actions must be “supported by substantial evidence in light of the whole record.”⁶⁰ Actions that are “not supported by a fair or substantial reason” are arbitrary and

⁵⁴ See Sherry Lichtenberg, Nat’l Regul. Rsch. Inst., *Carrier of Last Resort: Anachronism or Necessity?* 6–9 (2016), <https://pubs.naruc.org/pub/FA85B978-00A3-862C-5E8D-9E10816FA7DB>.

⁵⁵ See *supra* note 5.

⁵⁶ See *supra* pages 3–4.

⁵⁷ Pub. L. No. 104–104, 110 Stat. 56 (1996).

⁵⁸ See *infra* pages 28–29.

⁵⁹ Staff Report at 51.

⁶⁰ Cal. Pub. Util. Code § 1757(a)(4).

capricious.⁶¹ Of particular relevance, an agency’s action is “arbitrary and capricious [when it] rel[ies] on out-of-date and irrelevant data” to support its decision.⁶² In 2026, a COLR broadband mandate implicitly based on ILECs’ monopoly status 30 years ago—and utterly contrary to today’s marketplace conditions—has no reasonable basis.

b. Mandatory Broadband Deployment Would Be Economically Unsound.

The Commission also must “assess the economic impact of its action” where these effects are material to the decision.⁶³ Section 321.1 of the Public Utilities Code requires the Commission to undertake a rigorous assessment of the economic effects of potential regulatory actions. That statute expresses the Legislature’s “intent” that the Commission “assess the consequences of its decisions ... as part of each ratemaking, rulemaking, or other proceeding[.]”⁶⁴ It further states that the “[t]he commission *shall* take *all* necessary and appropriate actions to *assess the economic effects of its decisions[.]*”⁶⁵

As an economic proposition, mandatory broadband deployment would be unsound for several reasons. *First*, requiring COLRs to devote resources to building out broadband networks in areas where other providers already deployed broadband would, in effect, divert capital that could be used for, and slow deployment to, unserved or underserved areas. Likewise, requiring

⁶¹ *W. Oil & Gas Ass’n v. State Lands Comm’n*, 105 Cal. App. 3d 554, 565 (1980); *see also Application of Veritas Prepaid Phone Co., LLC for Registration as an Interexch. Carrier Tel. Corp. Pursuant to the Provisions of the Pub. Utils. Code Section 1013*, D.18-11-017, 2018 Cal. PUC LEXIS 539, at *22–23 (2018) (citing *Motor Vehicle Mfrs. Ass’n v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43–44 (1983)) (explaining that, where the Commission “fail[s] to consider a material and important issue, offer[s] an explanation that unreasonably runs counter to the evidence, or is entirely implausible,” it will be deemed to have acted in an arbitrary and capricious manner).

⁶² *See Cal. Ass’n for Health Servs. at Home v. State Dept. of Health Care Servs.*, 204 Cal. App. 4th 676, 680 (2012).

⁶³ *U.S. Steel Corp. v. Pub. Utils. Comm’n*, 29 Cal. 3d 603, 609–10 (1981).

⁶⁴ Cal. Pub. Util. Code § 321.1(a).

⁶⁵ *Id.* § 321.1(b) (emphasis added).

multiple broadband providers in areas that lack sufficient demand for multiple networks could undermine the investment of the provider that already had deployed a broadband network.

Potentially undercut providers include the Commission’s awardees of FFA and BEAD support.

Second, it would be unjustifiably expensive.⁶⁶ The avoidance of “long-term maintenance costs” from “legacy wireline connections” does not come close to offsetting the tremendous expense of this mandate.⁶⁷ If it were economically rational for the COLRs to make this investment, the Commission would not need to mandate it. The necessity of the mandate reveals its uneconomic nature.⁶⁸

Third, there is no reason to assume that the COLR would be the lowest-cost deployer in any given area, so requiring it to build the network everywhere in its service territory would inefficiently allocate the total capital available for broadband deployment. Many areas will be most efficiently served using wireless, satellite, or the expansion of existing cable networks. Requiring the COLR alone among marketplace competitors to deploy broadband would distort competition, impeding the COLR from allocating resources optimally and discouraging investment by competitors.

As noted, the staff proposal suggests that COLRs may offset this burden by “apply[ing] for grant funding to deploy infrastructure enabling these services through federal and state programs.”⁶⁹ This is backwards. The purpose of these programs is to induce *voluntary* deployment from providers in unserved and underserved areas by providing support to defray the

⁶⁶ See *supra* note 53.

⁶⁷ See Staff Report at 51 (suggesting that COLRs “explore” this solution).

⁶⁸ This logic—that the costs of the deployment would exceed the sum of any avoided maintenance costs and any increased revenues, all properly adjusted for the time-value of money—applies equally to areas qualifying as significant consumer choice and those that would be limited consumer choice under the staff proposal.

⁶⁹ *Id.*

high capital costs of deployment. Instead of imposing the mandate upon COLRs and suggesting they apply for government support, the Commission should continue to use BEAD and implement other support programs to provide incentives for broadband deployment.

Again, adopting this aspect of the staff proposal would be contrary to Section 1757(a). Under that provision, the Commission must “adequately consider[] all relevant factors, and [must] demonstrate[] a rational connection between those factors, the choice made, and the purposes of the enabling statute.”⁷⁰ The Commission’s stated goal of encouraging broadband deployment would be undermined by the proposed COLR broadband mandate.

3. The Commission Legally Cannot Use LifeLine To Support Standalone Broadband.

The staff proposes that the COLR’s obligations under the new MES definition should be expanded to include California LifeLine broadband service (either on a bundled or standalone basis).⁷¹ This proposal would both require COLRs to offer broadband with a LifeLine discount and require the Commission to draw on funds from the California LifeLine program to support the mandated LifeLine broadband offering.

As AT&T California explained previously in its application for rehearing of the decision adopting the Home Broadband LifeLine Pilot, the Commission lacks statutory authority to use funds from the California LifeLine program to fund standalone broadband service.⁷² Under the

⁷⁰ *Securus Techs. v. Pub. Utils. Comm’n*, 88 Cal. App. 5th 787, 803 (2023) (citation omitted); *see U.S. Steel Corp.*, 29 Cal. 3d at 608 (“Concomitant with the discretion conferred on the commission is the duty to consider all facts that might bear on exercise of that discretion. The commission must consider alternatives presented and factors warranting adoption of those alternatives.”).

⁷¹ *See* Staff Report at 1, 13.

⁷² *See generally* Pac. Bell Tel. Co. d/b/a AT&T Cal.’s (U 1001 C) Application for Rehearing of Decision 25-08-050 (filed Oct. 6, 2025), in *Ord. Instituting Rulemaking To Update the Cal. Universal Tel. Serv. (Cal. LifeLine) Program*, R.20-02-008 (“LifeLine Broadband Pilot AFR”).

Moore Universal Telephone Service Act (“Moore Act”)⁷³ and related provisions of the Public Utilities Code, California LifeLine can only be used to support *voice* telephony services.⁷⁴

This restriction is appropriate because *voice* telephony customers ultimately fund California LifeLine. How best to achieve broadband affordability is a complex policy issue, and the legislature should determine the extent to which broadband should receive government support and how that support should be funded. And, while the Legislature has actively considered a number of bills to address broadband affordability, it has not passed any of them.⁷⁵ AT&T California recognizes the Commission believes it has authority to make these determinations, but the company has sought rehearing of that decision. AT&T California hereby incorporates by reference its application for rehearing.⁷⁶

In addition, the LifeLine broadband element would keep the AT&T Phone – Advanced (“AP – A”) service from qualifying as MES.⁷⁷ The FCC has authorized AT&T to discontinue POTS in specified areas (outside California) based on the FCC’s conclusion that AP – A is an

⁷³ Cal. Pub. Util. Code §§ 871–884.5.

⁷⁴ See LifeLine Broadband Pilot AFR at 3–6.

⁷⁵ Comments of Pac. Bell Tel. Co. d/b/a AT&T Cal. (U 1001 C) to the Assigned Comm’r’s Ruling Requesting Comments on Strategies To Address the Home Broadband Adoption Gap 6 (filed May 16, 2025), in *Ord. Instituting Rulemaking To Update the Cal. Universal Tel. Serv. (Cal. LifeLine) Program*, R.20-02-008 (citations omitted).

⁷⁶ LifeLine Broadband Pilot AFR. For all the reasons explained in these comments, AT&T California believes it is unlawful and inappropriate as a policy question to require COLRs to provide broadband. Nevertheless, if the Commission decides to include an affordable-broadband component in MES, it should allow the COLR to satisfy that requirement without necessarily having to provide a LifeLine broadband service.

⁷⁷ AP – A connects with analog phones and other analog devices to transform analog signals into IP ones for transmission over a wireless or wireline fixed broadband connection. See *New AT&T Phone – Advanced*, AT&T, <https://www.att.com/home-phone/phone-advanced/> (last visited Jan. 23, 2026) (“AP – A Informational”).

“adequate replacement” for POTS.⁷⁸ However, AP – A rides over broadband; it does not include broadband service.⁷⁹

C. Adopting the Staff Proposal Would Violate Federal Law.

The staff proposal contains a number of elements contrary to the federal Communications Act and the Constitution.

1. The Commission Does Not Have Authority To Mandate That COLRs Provide Broadband on a Common-Carrier Basis.

As discussed above, the staff appears to recommend that the Commission require COLRs provide broadband on a common-carrier basis.⁸⁰ Common-carrier regulation of broadband is preempted on at least three grounds.

First, it is expressly preempted. Section 230(e)(3) of the Communications Act states that “[n]o cause of action may be brought and no liability may be imposed under any state or local law” if “inconsistent with” Section 230.⁸¹ In turn, Section 230(b) codifies that it is “the policy of the United States” to “preserve the vibrant and competitive free market that presently exists for the Internet and other interactive computer services, unfettered by Federal or State regulation.”⁸² A state-law requirement to provide broadband on regulated terms is the type of “fettering” that Congress has preempted.

⁷⁸ *Comments Invited on AT&T’s Section 214 Application To Grandfather & Discontinue Legacy Voice Serv. as Part of a Tech. Transition*, Public Notice, 39 FCC Rcd. 12405 (2024) (“*AT&T AP – A Application*”) (noting that AT&T’s application would be deemed granted automatically on December 21, 2024, in accordance with Section 63.71(f) of the FCC rules). AT&T California requests the Commission to take official notice of *AT&T AP – A Application* pursuant to Rule 13.10 of its Rules of Practice and Procedure.

⁷⁹ There is no separate charge for the AP – A device’s connection to AT&T’s mobile wireless network where available although full mobile or fixed wireless broadband is not included. *See AP – A Informational*.

⁸⁰ Staff Report at 1, 13–17.

⁸¹ 47 U.S.C. § 230(e)(3).

⁸² *Id.* § 230(b).

Second, it is preempted because it conflicts with the Communications Act. Congress has placed the internet under the light touch of Title I, rather than burdensome common-carrier regime of Title II.⁸³ Common-carrier regulation of broadband would undermine that decision. This is reinforced by Section 230. As the Sixth Circuit recently recognized in striking down the FCC’s “net neutrality” regime, it would be “strange for Congress to enact” a deregulatory policy in Section 230(b)(2) “while, in the same bill, shackling Internet access providers with onerous Title II [federal common-carrier] regulation.”⁸⁴ It would be stranger still to treat the deregulatory, pro-competitive federal law as opening up the internet to common-carrier regulation by the Commission. Indeed, as noted, the Commission has previously found it lacks jurisdiction to regulate broadband.⁸⁵

Third, 47 U.S.C. § 152 preempts state common-carrier regulation of interstate communications service because it grants the FCC authority over all interstate communications services. Here, the Commission seeks to compel COLRs to offer an *interstate* broadband service and to regulate “the terms and conditions and pricing practices” of that interstate service.⁸⁶ Section 152(a) of the Communications Act grants the FCC exclusive jurisdiction over economic regulation as to “all interstate ... communication by wire or radio,”⁸⁷ while Section 152(b) denies the FCC “jurisdiction with respect to ... intrastate communication service by wire or radio.”⁸⁸ The Communications Act establishes a “broad scheme for the regulation of interstate service by communications carriers” that “indicates an intent on the part of Congress to occupy the field to

⁸³ See *Ohio Telecom Ass’n v. FCC*, 124 F.4th 993 (6th Cir. 2025).

⁸⁴ *Id.* at 1004.

⁸⁵ See *supra* note 50.

⁸⁶ See *supra* note 17.

⁸⁷ 47 U.S.C. § 152(a).

⁸⁸ *Id.* § 152(b).

the exclusion of state law.”⁸⁹ AT&T California recognizes that the Second and Ninth Circuits have, respectively, rejected preemption challenges to California’s net neutrality law and New York’s Affordable Broadband Act.⁹⁰ These decisions, however, did not consider the relevance of the express preemption provisions of Section 230 or the Sixth Circuit’s discussion of that provision in *Ohio Telecom*. In *Bonta*, the Ninth Circuit pointed to Section 230 as “demonstrat[ing] that Congress knew how to preempt state authority when it wanted to,”⁹¹ but then never analyzed the actual provision of Section 230 that indicates Congress *did* intend to preempt here. In any event, AT&T California believes that *Bonta* and *James* are incorrect and that the Supreme Court would reach a different conclusion and thus preserves these arguments. Moreover, the staff proposal would go even further than the measures analyzed in *Bonta* and *James* and compel an involuntary deployment and offering of interstate service.

2. The Commission Does Not Have Authority To Regulate VoIP as a Common-Carrier Service.

In a recent decision,⁹² the Commission asserted jurisdiction over fixed VoIP services and authority to impose service quality standards on those services. Here, the staff appears to propose that the Commission take an even broader view of its authority and assert jurisdiction over “the terms and conditions and pricing practices” of VoIP providers.⁹³ Indeed, to the extent that the staff proposal would compel broadband deployment by COLRs, it is effectively requiring that they provide voice service using VoIP as it would make no sense to continue maintaining a

⁸⁹ *Ivy Broad. Co. v. AT&T Co.*, 391 F.2d 486, 490 (2d Cir. 1968).

⁹⁰ *ACA Connects-Am. ’s Commc ’ns Ass’n v. Bonta*, 24 F.4th 1233 (9th Cir. 2022); *N.Y. State Telecomms. Ass’n v. James*, 101 F.4th 135 (2d Cir. 2024).

⁹¹ *Bonta*, 24 F.4th at 1246.

⁹² *Ord. Instituting Rulemaking Proceeding To Consider Amends. to Gen. Ord. 133*, D.25-09-031, 2025 Cal. PUC LEXIS 455 (Sept. 18, 2025).

⁹³ Staff Report at 13–14.

second, antiquated, legacy POTS network after deploying a modern network. If it adopts the staff's approach, however, the Commission would be treating VoIP provided by COLRs as a traditional common-carrier service.

While AT&T California recognizes that the Commission has determined it has authority to regulate VoIP, USTelecom has challenged that the Commission can impose common-carrier regulation such as service-quality metrics and penalties. In its federal court complaint, USTelecom has raised strong arguments that the Commission's regulations are preempted. The FCC and "not state commissions, has the responsibility to decide if ... regulations will be applied [to VoIP]."⁹⁴ And the FCC has adopted a "light-touch" regulatory regime,⁹⁵ including permitting VoIP providers to discontinue service on a streamlined basis.⁹⁶ The FCC has further found that allowing states to "subject fixed VoIP service to an extensive array of state public-utility requirements" would conflict with the FCC's approach of ensuring a "national services market" and threatens to "stifle competition and innovation."⁹⁷

The Commission's authority to regulate intrastate services under 47 U.S.C. § 152(b) would not apply here because it is not possible to separate the interstate and intrastate aspects of fixed VoIP service.⁹⁸ Indeed, the staff itself recommends that the Commission require COLRs to offer "all-distance" services,⁹⁹ which would necessarily include interstate calls, and that COLRs

⁹⁴ *Vonage Holdings Corp. v. Neb. Pub. Serv. Comm'n*, 564 F.3d 900, 905 (8th Cir. 2009).

⁹⁵ Compl. at ¶¶ 35–40, *USTelecom Ass'n – The Broadband Ass'n v. Alice Busching Reynolds*, Case No. 3:25-cv-08959 (filed Oct. 17, 2025).

⁹⁶ See *IP-Enabled Servs.*, Report and Order, 24 FCC Rcd. 6039 (2009).

⁹⁷ Compl. at ¶ 40, *USTelecom Ass'n*, Case No. 3:25-cv-08959.

⁹⁸ *Id.* at ¶¶ 53–54 (appealing the Commission's contrary conclusion).

⁹⁹ Staff Report at 13.

must obtain Commission approval of “the terms and conditions and pricing practices” of the inseparable interstate aspects of that service.¹⁰⁰

3. An Unfunded Mandate That ILECs—and Only ILECs—Provide Broadband Throughout Their Service Territories Would Violate 47 U.S.C. § 254.

The staff proposal suggests that a COLR must provide broadband throughout their service territory and provide broadband service to any LifeLine-eligible customer that demands it.¹⁰¹ All COLRs are ILECs, and only these entities would have this obligation.

Section 254(f) of the Communications Act would prohibit such a discriminatory requirement. That statute provides that a state “may adopt regulations to provide for additional definitions and standards to preserve and advance universal service within that State *only to the extent that such regulations adopt additional specific, predictable, and sufficient mechanisms to support such definitions or standards.*”¹⁰²

To the extent the staff proposal would require COLRs to deploy broadband without any means of offsetting the costs, let alone a “predictable” or “sufficient” support mechanism, it would violate Section 254(f)—especially in high-cost areas. It is thus not an answer that COLRs “may apply for grant funding to deploy infrastructure enabling these services through federal and state programs.”¹⁰³

The FCC has also emphasized that Section 254 imposes a “competitive neutrality” principle.¹⁰⁴ It held that “universal service support mechanisms and rules [must] neither unfairly

¹⁰⁰ *Id.* at 13 n.30.

¹⁰¹ To the extent that the staff proposal would effectively compel universal provision of VoIP service by ILECs without meaningful high-cost support, that would only raise additional concerns under Section 254.

¹⁰² 47 U.S.C. § 254(f) (emphasis added).

¹⁰³ Staff Report at 51.

¹⁰⁴ *Fed-State Joint Bd. on Universal Serv.*, Report and Order, 12 FCC Rcd. 8776, 8801 ¶ 46 (1997).

advantage nor disadvantage one provider over another.”¹⁰⁵ State discrimination with respect to universal service is contrary to the congressional intent of Section 254 “to promote a pro-competitive, de-regulatory national policy framework.”¹⁰⁶ The FCC has thus preempted a state law that “violates the competitive neutrality principle” because Section 254(f) only allows states to adopt universal service requirements “not inconsistent with the Commission’s rules.”¹⁰⁷

Here, as explained above, the proposed COLR rules are not competitively neutral. The Commission would require each COLR to undertake this costly broadband buildout obligation and not impose the same obligation on the many competitors, including those cable companies that have deployed extensive broadband networks and serve more customers over those networks than AT&T California.

4. Imposing an Unfunded Broadband Mandate on COLRs Would Raise Serious Constitutional Concerns.

Imposing an unfunded broadband buildout mandate on just COLRs would constitute a taking and violate the Equal Protection Clause.¹⁰⁸

Takings. AT&T California has a strong incentive to deploy broadband wherever it is economically rational to do so. Further, AT&T California has committed to invest heavily to deploy broadband in high-cost areas where BEAD and FFA funding is available to allow the

¹⁰⁵ *Id.* at 8801 ¶ 47.

¹⁰⁶ *Fed.-State Joint Bd. on Universal Serv.; et al., Declaratory Ruling*, 15 FCC Rcd. 15168, 15180 ¶ 31 (2000).

¹⁰⁷ *Id.*

¹⁰⁸ Like the federal constitution, the California constitution also prohibits uncompensated takings and requires equal protection. *See, e.g., Application of Pac. Gas & Elec. Co. for Auth. To Increase Elec. Rates & Charges To Recover Smart Grid Costs Relating to Compressed Air Energy Storage Demonstration Project Under Am. Recovery & Reinvestment Act of 2009 (U39E)*, D.10-09-018, 2010 Cal. PUC LEXIS 339, at *8 n.12 (2009) (“Because the federal and state law at issue [whether a taking had occurred] is similar under both constitutions, our discussion will not distinguish between the two constitutional provisions.”); *Griffiths v. Superior Court*, 96 Cal. App. 4th 757, 775 (2002) (“Equal protection clauses in the Fourteenth Amendment to the United States Constitution and in the California Constitution ... guarantee substantially similar rights and the courts analyze them in a similar fashion.”).

company the opportunity to recover its investment. Yet, the staff proposal would require AT&T California, as a COLR, to build out to high-cost areas where no support is available and where there is little chance AT&T California could charge prices to cover the costs of this extra deployment. The staff proposal also would require AT&T California to build out its broadband network in areas with existing broadband networks, with no guarantee that AT&T California could recover its costs.

Such an unfunded mandate violates the Fifth Amendment to the Constitution. Even for traditional utility or common-carrier regulation, if “the rate does not afford sufficient compensation, the [government] has taken the use of utility property without paying just compensation” in violation of the Fifth Amendment.¹⁰⁹ Here, AT&T California would not be guaranteed any rate of return and would not receive the type of competitively neutral, explicit subsidies required under Section 254. The staff appears to acknowledge this consequence of its proposal by noting that COLRs “may apply for grant funding to deploy infrastructure enabling these services through federal and state programs.”¹¹⁰ But absent that support *actually being provided*, the mandate would be an unconstitutional taking.

Equal Protection. Requiring just a single entity to shoulder the (unfunded) burdens of COLR obligations would raise serious equal protection concerns. State action that effectively creates a “class of one” and subjects its sole member to regulatory disadvantages may violate the Equal Protection Clause.¹¹¹ Economic legislation (or regulation) drawing distinctions that “do[]

¹⁰⁹ *Duquesne Light Co. v. Barash*, 488 U.S. 299, 308 (1989).

¹¹⁰ Staff Report at 51.

¹¹¹ See *Vill. of Willowbrook v. Olech*, 528 U.S. 562, 564 (2000); *Bank Markazi v. Peterson*, 578 U.S. 212, 234 n.27 (2016) (“Laws narrow in scope, including ‘class of one’ legislation, may violate the Equal Protection Clause if arbitrary or inadequately justified.”); *Gerhart v. Lake Cnty.*, 637 F.3d 1013, 1014–22 (9th Cir. 2011) (allowing class-of-one claim based on selective regulatory action to proceed); *Mimics, Inc. v. Vill. of Angel Fire*, 394 F.3d 836, 849 (10th Cir. 2005) (similar).

not operate so as rationally to further” the statute’s purpose and are “without any rational basis” runs afoul of the Equal Protection Clause.¹¹² Applying that clause, the Supreme Court has voided legislation that imposed common-carrier-type service obligations on one company while imposing no similar obligation on other companies “doing the same business in the same way.”¹¹³ But that is exactly what staff proposes to do.

III. THE STAFF’S PROPOSED CRITERIA FOR RELINQUISHMENT BASED ON ALTERNATIVE SERVICE SHOULD BE MODIFIED TO ENSURE MEANINGFUL COLR REFORM.

The staff proposal recognizes that COLR obligations in areas where customers have an available alternative will no longer be necessary and creates a process through which the COLR in such an area can relinquish its designation.¹¹⁴ The staff’s approach is consistent with evidence introduced in the record that universal service is in fact achieved and protected in well-served areas with alternative voice service.¹¹⁵ In these areas, where consumers can choose among

¹¹² *U.S. Dep’t of Agric. v. Moreno*, 413 U.S. 528, 537–38 (1973); *see also Long Island Lighting Co. v. Cuomo*, 666 F. Supp. 370, 422 (N.D.N.Y. 1987), *vacated in other respects*, 888 F.2d 230 (2d Cir. 1989) (equal protection holding not vacated, *id.* at 234 n.5).

¹¹³ *Cotting v. Godard*, 183 U.S. 79, 109 (1901) (striking down a Kansas statute that imposed common-carrier-type regulation on just one stockyard, notwithstanding evidence that numerous smaller stockyards offered competitive services; simply being the largest stockyard was an insufficient basis for that discriminatory treatment); *see also Nashville, C. & St. L. Ry. v. Walters*, 294 U.S. 405, 429 (1935) (“[W]hen particular individuals are singled out to bear the cost of advancing the public convenience, that imposition must bear some reasonable relation to the evils to be eradicated or the advantages to be secured.”).

¹¹⁴ *See generally* Staff Report at 2, 26–41.

¹¹⁵ *See* Pac. Bell Tel. Co. d/b/a AT&T Cal.’s (U 1001 C) Opening Comments on Admin. L. Judge’s Ruling Regarding Comments on Topics Discussed at Apr. Workshops 6 (filed June 13, 2025) (“AT&T California June 2025 Comments”) (“[A]reas that are well-served with alternative voice service do not need a COLR. In well-served areas, market forces have achieved universal service.”); *see also* Reply Comments of the Cal. Broadband & Video Ass’n on Ord. Instituting Rulemaking Proceeding To Consider Changes to the Comm’n’s Carrier of Last Resort Rules 2 (filed Oct. 30, 2024) (“By a number of measures in the record, the vast majority of households have multiple options for voice providers, and universal voice service has been nearly achieved for all Californians.”); Reply Comments of Comcast Phone of Cal., LLC (U-5698-C) on Ord. Instituting Rulemaking Proceeding To Consider Changes to the Comm’n’s Carrier of Last Resort Rules 3 (filed Oct. 30, 2024) (“The record shows that, by a number of measures, the vast majority of California households have multiple options for voice providers, and universal voice service has been achieved for nearly all Californians.”).

alternative voice services, there no longer is any rationale for retaining COLR obligations.¹¹⁶ In these instances, market forces (augmented by public funds in some cases) will ensure adequate voice service, and a regulatory mandate is unnecessary.¹¹⁷

However, as shown below, the staff proposal adopts overly restrictive criteria for determining an area’s eligibility for relinquishment based on alternative service—criteria that are not appropriate or necessary to ensure universal voice service.

A. The Definition of “Significant Consumer Choice” Goes Beyond Preserving Universal Voice Service.

Under the staff proposal, an area must have multiple providers present to satisfy the definition of “significant consumer choice.” By requiring the presence of multiple alternatives for a COLR to relinquish its obligation without a service commitment for another 15 years, the staff proposal would convert its universal service policy into competition policy.

Universal service policy traditionally has focused on ensuring the *availability* of voice service,¹¹⁸ not the number of competitors. Thus, California’s COLR regime has focused on ensuring that consumers have at least one voice alternative.¹¹⁹ “COLR,” itself, proclaims the sufficiency of a sole provider: the Commission designated one “carrier of *last resort*” to ensure universal voice service during the transition from the monopoly compact where market forces

¹¹⁶ See Pac. Bell Tel. Co. d/b/a AT&T Cal.’s (U 1001 C) Revisions to Initial Proposals 9–10 (filed Dec. 6, 2024) (“AT&T California Revised Proposals”).

¹¹⁷ See AT&T California June 2025 Comments at 14; see also *id.* (also noting that alternative networks have been deployed to about 96 percent of serviceable locations in California); Comments of the Cal. Broadband & Video Ass’n on Ord. Instituting Rulemaking Proceeding To Consider Changes to the Comm’n’s Carrier of Last Resort Rules 2–3, 6 (filed Sept. 30, 2024) (noting that “universal voice service has been achieved for nearly all Californians—largely due to competition” “amongst myriad providers”).

¹¹⁸ See *Universal Service*, FCC, <https://www.fcc.gov/general/universal-service> (last visited Jan. 20, 2026).

¹¹⁹ See *Rulemaking on Comm’n’s Own Motion into Universal Serv. & To Comply with the Mandates of Assembly Bill 3643*, D.96-10-066, 1996 Cal. PUC LEXIS 1046, at *292–309, *468–72 app. B (Universal Service Rules 6.D–E) (Oct. 25, 1996).

had not yet supplied an alternative.¹²⁰ In contrast, competition policy typically *does* consider the number of market participants. For instance, both the Commission and the FCC have tied price deregulation to competition.¹²¹

The staff proposal conflates these regimes and in so doing would subject ILECs to a form of competition regulation that does not apply to their rivals, even if the rivals have become the leading marketplace participants.¹²² To determine whether and how a COLR can relinquish its designation, the staff proposal would divide California into areas with significant consumer choice and areas with limited consumer choice.¹²³ To qualify as offering significant consumer choice, an area would need to have multiple competitors present: *either* at least two facilities-based wireline broadband providers *or* at least one facilities-based wireline provider and at least two mobile wireless providers.¹²⁴ The COLR would also have to be offering broadband in the area even though the COLR requirement is a voice obligation (and even though no support for broadband is contemplated in the staff proposal).¹²⁵ In addition, there would have to be at least

¹²⁰ April 11 Workshop at 2:49:00–2:50:40 (statement of Frontier representative Allison Ellis).

¹²¹ *See, e.g., Ord. Instituting Rulemaking on the Comm'n's Own Motion To Assess & Revise the Regul. of Telecomms. Utils.*, D.06-08-030, 2006 Cal. PUC LEXIS 367 (Aug. 24, 2006); *Regul. Treatment of LEC Provision of Interexch. Servs. Originating in the LEC's Loc. Exch. Area and Pol'y & Rules Concerning the Interstate, Interexch. Marketplace*, Second Report and Order, Third Report and Order, 12 FCC Rcd. 15756, 15766 ¶ 12 (1997) (explaining that carriers that possess market power are classified as dominant and subject to rate regulation); *id.* 15835 ¶ 133, 15842 ¶ 144 (classifying Bell Operating Companies' interLATA affiliates and independent LECs as non-dominant in the provision of certain domestic services and, therefore, not subject to rate regulation).

¹²² *See* Staff Report at 17–26.

¹²³ *See id.* at 20–22. The very terminology of the staff proposal—“significant consumer choice” and “limited consumer choice”—reveals the conflation of universal service and competition policies.

¹²⁴ *See id.*

¹²⁵ *See id.*

two LifeLine providers, one of which must offer wireline service and one wireless service.¹²⁶ In effect, there must be at least four providers to be an area with significant consumer choice.¹²⁷

The staff dismisses AT&T California, Consolidated, and US Telecom arguments for COLR relinquishment where an alternative voice provider is present for not “address[ing] in detail the presence, or lack of, consumer choice.”¹²⁸ That criticism is not valid. These carriers agree that COLR relinquishment should turn on whether subscribers in an area have a reasonable voice alternative. The staff proposal, in contrast, offers no *explanation* for why a COLR’s eligibility for relinquishment should turn on the presence of *multiple* alternatives and the intensity of market competition instead of on whether consumers in the area would have an adequate voice alternative.

The Commission should thus allow relinquishment based on the availability of alternative service consistent with the universal service goals underlying COLR. One alternative provider of voice services will preserve universal service if the COLR withdraws.

¹²⁶ See *id.* at 20.

¹²⁷ See *id.* at 20–22.

¹²⁸ *Id.* at 19. The staff also criticizes the carriers for not addressing “whether the provider can offer essential service.” *Id.* This criticism ignores AT&T California’s and other carriers’ repeated explanations that VoIP and mobile service deliver essential service requirements. See AT&T California November 2025 Comments at 9–12; AT&T California June 2025 Comments at 9; Response of Charter Fiberlink CA-CCO, LLC; Time Warner Cable Info. Serv. (Cal.), LLC; & Bright House Networks Info. Serv. (Cal.), LLC to Admin. L. Judge’s Ruling Regarding Comments on Topics Discussed at Aug. 22, 2025 Workshop 2–4 (filed Nov. 21, 2025) (“Charter Opening Comments”); Response of Comcast Phone of Cal., LLC (U-5689-C) to Admin. L. Judge’s Ruling Regarding Comments on Topics Discussed at Aug. 22, 2025 Workshop 3–5 (filed Nov. 21, 2025) (“Comcast Opening Comments”); Cox Cal. Telcom, LLC’s (U5684C) Response to Admin. L. Judge’s Ruling Regarding Comments on Topics Discussed at Aug. 22, 2025 Workshop 2–4 (filed Nov. 21, 2025) (“Cox Opening Comments”); Response of Frontier Cal. Inc. (U 1002 C), Citizens Telecomms. Co. of Cal. Inc. dba Frontier Commc’ns of Cal. (U 1024 C), Frontier Commc’ns of the Sw. Inc. (U 1026 C) (“Frontier”) to Admin. L. Judge’s Oct. 1, 2025 Ruling Regarding Comments on Topics Discussed at Aug. 22, 2025 Workshop 3–4 (filed Nov. 21, 2025) (“Frontier Opening Comments”).

B. Fixed Wireless, Mobile Wireless, and Satellite Are Alternatives to Wireline Service.

As just explained, the Commission’s COLR regime should focus on whether consumers have a reasonable alternative to the COLR. Where they do, the COLR should be allowed to relinquish. The staff proposal, however, further raises the bar by treating only a single type of provider as a qualified provider—those offering *wireline* service. As such, the staff proposal ignores compelling and successful alternatives routinely used by Californians: fixed wireless, mobile wireless, and satellite.

Fixed Wireless. Although the staff proposes to define a “qualified provider” as one offering “fixed” service, it excludes fixed wireless providers because they do not use “wired connections.”¹²⁹ But fixed wireless providers, like fixed wireline providers, offer services that provide “a high degree of reliability that is critical for ensuring the customer has consistent, uninterrupted” service.¹³⁰ And, like their wireline counterparts, fixed wireless services can support VoIP.¹³¹

Fixed wireless now reaches more households (88.2 percent) nationwide than cable broadband.¹³² For instance, in 2024, the FCC reported that T-Mobile alone covers about 66 percent of the U.S. population with speeds up to 100 Mbps.¹³³ Fixed wireless has continued to grow dramatically in the United States, “absorbing all broadband subscriber growth in the market

¹²⁹ Staff Report at 21.

¹³⁰ *Id.*

¹³¹ Both Verizon and T-Mobile advertise that their fixed wireless services support VoIP. *See 5G Business Internet*, Verizon Bus., <https://www.verizon.com/business/products/internet/5g/> (last visited Jan. 23, 2026) (noting that their 5G fixed wireless internet is compatible with VoIP); *Connect Your Devices to T-Mobile Internet*, T-Mobile 5G Home Internet, <https://www.t-mobile.com/support/home-internet/connect> (last visited Jan. 23, 2026) (noting same).

¹³² *2024 Commc’ns Marketplace Rep.*, 37 FCC Rcd. 14116, 14125 fig. II.A.4 (2024).

¹³³ *Id.* at 14124 fig. II.A.3, 14132 fig. II.A.10.

since mid-2022.”¹³⁴ Combined, T-Mobile and Verizon had more than 13 million fixed wireless subscribers nationwide at the end of 2025¹³⁵—a more than 15-fold increase from just four years ago.¹³⁶

Economically, fixed wireless competes with and is increasingly viewed as a substitute for wireline broadband.¹³⁷ In addition, fixed wireless service often comes with a high-gain interior or an exterior antenna at the customer’s premises,¹³⁸ which addresses concerns about indoor coverage that have been advanced with respect to mobile wireless.¹³⁹

¹³⁴ Robert Wyrzykowski, *5G Fixed Wireless Access (FWA) Success in the US: A Roadmap for Broadband Success Elsewhere?*, Opensignal (June 6, 2024), <https://www.opensignal.com/2024/06/06/5gfixed-wireless-access-fwa-success-in-the-us-a-roadmap-for-broadband-success-elsewhere>; see also John Fletcher, *Americas Broadband Roundup, 2025*, S&P Global (Nov. 6, 2025), <https://www.spglobal.com/market-intelligence/en/news-insights/research/2025/11/americas-broadband-roundup-2025> (“[T]he US has grown its residential FWA base sixfold from 1.6 million residential subs in 2020 to 11.6 million in 2024. One in every 10 US broadband homes uses FWA for internet access.”).

¹³⁵ See *Verizon Reports 3Q 2025 Earnings; Reiterates Full-Year Financial Guidance*, Verizon (Oct. 29, 2025), <https://www.verizon.com/about/news/verizon-reports-3q-2025-earnings-reiterates-full-year-financial-guidance> (5.4 million fixed wireless subscribers at the end of the third quarter 2025); *T-Mobile Delivers Record Customer Growth, Fueled by Widening Differentiation and Focus on Durable and Profitable Financial Growth, Raises Guidance Across the Board*, T-Mobile (Oct. 23, 2025), <https://www.t-mobile.com/news/business/t-mobile-q3-2025-earnings> (8 million fixed wireless subscribers at the end of the third quarter 2025).

¹³⁶ See Monica Allevan, *T-Mobile, Verizon FWA Subs Take Center Stage in Q1 Forecasts*, Fierce Network (Apr. 15, 2022), <https://www.fierce-network.com/wireless/t-mobile-verizon-fwa-takes-center-stage-q1-forecasts> (Verizon ended 2021 with 228,000 fixed wireless subscribers while T-Mobile ended 2021 with 646,000 fixed wireless subscribers).

¹³⁷ T-Mobile, in particular, has aggressively marketed its Home Internet fixed wireless service as a competitive alternative to wireline. See Zach Braff & Donald Faison for T-Mobile, *Acceleration*, <https://www.accelerationcc.com/work/zach-braff-donald-faison> (last visited Jan. 13, 2026); *T-Mobile “Zach Braff and Donald Faison Sing a Duet for Home Internet,”* AdAge (Mar. 24, 2025), <https://adage.com/super-bowl/super-bowl-commercial-archive/2022/aa-t-mobile-zach-braff-and-donald-faison-sing-a-duet-for-home-internet/>. Cable companies have responded with their own advertising. See Jeff Baumgartner, *Charter Super Bowl Ad Takes a Shot at T-Mobile Home Internet*, LightReading (Feb. 12, 2024), <https://www.lightreading.com/fixed-wireless-access/charter-super-bowl-ad-takes-a-shot-at-t-mobile-home-internet>.

¹³⁸ See Ben Holcomb, *What Is Fixed Wireless Access? A Connectivity Guide*, AT&T Bus. (July 10, 2024), <https://www.business.att.com/learn/articles/what-is-fixed-wireless-access-a-connectivity-guide.html>.

¹³⁹ See, e.g., Michael Ginsberg, *Supercharge Your 5G: Why an External Antenna Is Your Router’s Secret Weapon*, 5Gstore (Oct. 30, 2025), <https://5gstore.com/blog/2025/10/30/5g-external-antennas-explained/#:~:text=An%20external%205G%20antenna%20boosts,stage%20for%20faster%20data%20rates>. (“An external 5G antenna boosts signal strength by positioning a high-gain element to directly face the

Mobile Wireless Service. As an initial matter, there is a fundamental contradiction in the staff's treatment of mobile wireless. The staff emphasizes that the Commission's COLR mandates are "technology-neutral, permitting carriers to meet their obligations through any technology or combination of technologies, provided that the minimum service standards are satisfied."¹⁴⁰ But, as explained above, when it comes to considering alternatives to the COLR, the staff proposal does not consider mobile providers to be qualified providers. If a COLR can fulfill its obligations with mobile wireless, a mobile wireless provider should count as a qualified provider for purposes of whether a COLR can relinquish its designation.

Furthermore, the staff understates the degree to which mobile wireless service competes with wireline service even though the *substantial majority of consumers use mobile wireless service to fulfill their voice communications needs*. According to the staff, "[d]ata show that mobile service is often complementary to wireline broadband service and not a substitute."¹⁴¹ This statement is not consistent with the data. For most Californians, mobile wireless not only is a viable alternative but is preferred over wireline voice service.¹⁴² Indeed, three years ago, over three quarters of California adults relied *exclusively* on their mobile phones.¹⁴³ That fraction likely has increased in the meantime given the trend in cord-cutting.

cell tower, capturing more radio frequency energy and converting it into a stronger electrical signal for your router. This process significantly reduces data packet loss and smooths out connection drops often caused by signal reflections or building attenuation.").

¹⁴⁰ Staff Report at 12.

¹⁴¹ *Id.* at 22 (footnote omitted).

¹⁴² *See supra* note 7 (finding that 76.6 percent of California adults relied exclusively on wireless while only 1.7 percent were "landline-only" (*i.e.*, POTS or broadband VoIP)).

¹⁴³ *See id.* AT&T California's statement that mobile wireless "services are *mobile*, so a customer can make and receive calls outside the home" does not demonstrate, as the Staff Report maintains, that mobile networks are "designed *primarily* for outdoor service." Staff Report at 25 (emphasis added) (quoting AT&T California November 2025 Comments at 24). AT&T California merely observed that customers can make and receive mobile calls in a location other than the home, which may be outdoors or inside another building.

In addition, the Commission itself has previously observed “that wireless voice service is, in general, a reasonable economic substitute for landline voice service.”¹⁴⁴ To be sure, while the Commission’s conclusion that “the availability of wireless service alternatives disciplines the prices of wireline service” depended on the availability of wireless service and the particular needs of customers in a given area,¹⁴⁵ cord-cutting has only intensified since 2016 as mobile coverage has expanded, and the quality of mobile voice service improved. These decade-old Commission findings do not support the staff proposal’s assertion that wireless and wireline services are mere complements.

In evaluating the suitability of facilities-based mobile providers as alternatives to COLR voice services, the staff raises the Commission’s 2016 concerns about mobile service compatibility with medical devices, TTY, and TTY relay.¹⁴⁶ However, these concerns are outdated. Compatibility between mobile service and medical devices have improved significantly over the intervening decade.¹⁴⁷

In addition, mobile wireless voice services already support California Relay Service and otherwise ensure the accessibility of essential communications services. Section 255 of the federal Communications Act requires each “provider of telecommunications service [to] ensure

¹⁴⁴ *Ord. Instituting Investigation into the State of Competition Among Telecomms. Providers in Cal., & To Consider & Resolve Questions Raised in the Ltd. Rehearing of Decision 08-09-042*, D.16-12-025, 2016 Cal. PUC LEXIS 683, at *60–61 (Dec. 8, 2016) (“*2016 Marketplace Decision*”).

¹⁴⁵ *See id.* at *63–64, *70–73.

¹⁴⁶ *See* Staff Report at 23–24 (citing *2016 Marketplace Decision*).

¹⁴⁷ For instance, according to a Consumer Reports survey, although medical alert devices were originally “designed to work over landlines, which meant they were largely designed for use at home[, t]oday, many systems operate on cellular networks, allowing users to summon help from anywhere,” and in fact “a higher percentage of people [reported that they] had devices that used cell service rather than a landline (54 percent vs. 32 percent).” Laura Entis, *Best Medical Alert Systems*, Consumer Reps. (Apr. 26, 2024), <https://www.consumerreports.org/health/medical-alert-systems/best-medical-alert-systems-a1136054281/>. *See also* AT&T California November 2025 Comments at attach. A (listing assistive devices that are compatible with wireless service by themselves or when used with additional devices such as adapters).

that the service is accessible to and usable by individuals with disabilities, if readily achievable.”¹⁴⁸ Pursuant to Section 255, the FCC requires mobile wireless voice service providers to comply with the same accessibility and compatibility requirements as providers of POTS.¹⁴⁹ These requirements include support for 711 dialing for access to relay services, including California Relay Service.¹⁵⁰ Further, mobile voice service must provide TTY and other relay services under federal law.¹⁵¹ Moreover, much California Connect equipment works or can be adapted to work with mobile service.¹⁵²

Satellite. Finally, the staff proposal improperly and entirely disregards satellite-based service in its definition of “significant consumer choice” areas.¹⁵³ Starlink, Amazon Leo, Globalstar, and AST SpaceMobile are deploying and swiftly expanding their fleets of satellites in

¹⁴⁸ 47 U.S.C. § 255(c). Communications Act Section 225 also requires the FCC to ensure the availability of telecommunications relay services (“TRS”), including California Relay Service. *Id.* § 225(a)(3); *see id.* § 225(b)(1). Section 225 also requires a common carrier to provide TRS “throughout the area in which it offers service.” *Id.* § 225(c). The FCC has extended these TRS requirements to VoIP providers. *See* 47 C.F.R. §§ 64.601(b), 64.603(a).

¹⁴⁹ *See* 47 C.F.R. §§ 6.1–6.16, 7.1–7.16, 64.601(b).

¹⁵⁰ *See id.* §§ 64.601(b), 64.603(a); *see generally* *Dial 7-1-1 for Relay Services*, AT&T, <https://www.att.com/support/article/u-verse-voice/KM1010572/> (last visited Jan. 26, 2026).

¹⁵¹ In the case of TTY, the FCC has adopted rules for wireless service providers to support real-time text (“RTT”) technology. *See Real-Time Text*, FCC, <https://www.fcc.gov/real-time-text> (last visited Jan. 26, 2026). RTT “allows text to be sent immediately as it is created through wireless handsets that use IP-based technology on networks that support RTT.” *Real-Time Text: Improving Accessible Telecommunications*, FCC, <https://www.fcc.gov/consumers/guides/real-time-text-improving-accessible-telecommunications> (last visited Jan. 26, 2026); *see* 47 C.F.R. § 67.1(g).

¹⁵² *See* AT&T California November 2025 Comments at 11, attach. A; *see also* Staff Report at 62–63 (stating “as AT&T details in length in their Comments on the August 2025 Workshop, much of the equipment offered through California Connect is either IP compatible or can be configured to be compatible with additional applications or equipment.”); Proposed Decision Establishing Revisions & Updates to the Deaf & Disabled Telecomms. Program (Cal. Connect) 39–41 (filed Jan. 15, 2026), in *Ord. Instituting Rulemaking To Consider Revisions & Updates to the Deaf & Disabled Telecomms. Program*, R.23-11-001 (recognizing that much California Connect equipment is compatible with wireless service and proposing to commit the Commission to expand California Connect’s focus on wireless equipment).

¹⁵³ *See* Staff Report at 20–21.

low-earth orbit (“LEO”) to offer voice and broadband service.¹⁵⁴ Satellite broadband speed and latency are rapidly improving with LEO technology.¹⁵⁵ For example, Starlink has substantially increased its median upload and download speeds in the United States to 104.71/14.84 Mbps in 2025 and currently has the ability to deliver broadband speeds of 100/20 Mbps.¹⁵⁶ Recent Starlink updates have further “reduce[d] latency through laser-based inter-satellite links,” and it can now “deliver[] latency as low as 12 milliseconds,” which not only is sufficient for real-time voice service but also can “mak[e] real-time applications like video calls and cloud gaming viable almost anywhere on Earth.”¹⁵⁷ BEAD eligibility and funding for LEO mean that its

¹⁵⁴ See Starlink, *Progress Report 2024*, at 3 (2024), https://starlink.com/public-files/starlinkProgressReport_2024.pdf (“In just over five years, SpaceX designed, deployed, and activated high-quality internet, which is now available for over 2.8 billion people around the world.”); *Starlink Direct to Cell*, Starlink, <https://starlink.com/business/direct-to-cell> (last visited Jan. 23, 2026) (advertising a “direct to cell” option that delivers “data, voice, video and messaging to mobile dead zones”); Martyn Wingrove, *Second ULA Launch Doubles Amazon’s Kuiper Satellite Fleet*, Riviera (July 8, 2025), <https://www.rivieramm.com/news-content-hub/news-content-hub/second-ula-launch-doubles-amazon-kuiper-satellite-fleet-85363> (reporting that, in June 2025, Amazon’s LEO constellation doubled to 54); *Globalstar To Enter Next Era of Mobile Satellite Connectivity with Expanded Operational Frequencies*, Globalstar (Sept. 15, 2025), <https://investors.globalstar.com/news-releases/news-release-details/globalstar-enter-next-era-mobile-satellite-connectivity-expanded/> (announcing the deployment of its third-generation mobile satellite system, “which will include 48 additional satellites supported by approximately 90 new ground station antennas installed globally” and will provide service over the Big LEO frequency bands); *Globalstar Voice & Data* (advertising “reliable ... satellite communication solutions that keep you connected in areas without cellular coverage”); *AST* (announcing the ongoing launches of its Next-Gen Bluebird satellites, which will provide coverage for “for millions of daily connections such as voice and video calls, texts, and streaming” and advertising its already-deployed satellites, which “are ready to deliver broadband to billions of users worldwide”). In addition, Viasat, which offers voice and broadband services, is partnering with LEO satellite operators to enhance its capabilities. See *Viasat Voice*, Viasat, <https://www.viasat.com/isg/voice/> (last visited Jan 20, 2026); *Viasat – ESA D2D*.

¹⁵⁵ See Mateusz Kaczmarek, *Satellite vs. Fiber Internet: The 2025 Latency & Bandwidth Showdown*, TechStock2 (June 4, 2025), <https://ts2.tech/en/satellite-vs-fiber-internet-the-2025-latency-bandwidth-showdown/> (“Satellite internet (particularly modern LEO-based) has greatly improved and is now capable of supporting everyday activities – including streaming and video calls – that were once very challenging on satellite.”).

¹⁵⁶ Sue Marek, *Starlink’s U.S. Performance Is on the Rise, Making It a Viable Broadband Option in Some States*, Ookla (June 10, 2025), <https://www.ookla.com/articles/starlink-us-performance-2025>.

¹⁵⁷ Glanze Patrick, *Starlink Global Coverage Expands as Satellite Improves Internet Speed and Lower Latency*, Tech Times (Dec. 23, 2025), <https://www.techtimes.com/articles/313567/20251223/starlink-global-coverage-expands-satellite-improves-internet-speed-lower-latency.htm>.

presence across California will increase and that more locations will have access to it. Indeed, over 40 percent of locations that received BEAD funding in California are slated for LEO satellite deployment, with SpaceX and Amazon the two largest winners by locations overall.¹⁵⁸

As satellite broadband continues to improve and proliferate, it will be increasingly important in the broadband ecosystem, including for voice applications. It thus would be arbitrary and capricious categorically to ignore the availability of satellite service as a viable alternative to COLRs in the forward-looking rules the Commission will issue in this proceeding.

C. All LifeLine Providers Should Count Equally.

The staff proposal also would treat wireless as less relevant in a second way with regard to whether an area has significant consumer choice. The staff proposal would require that there be at least one wireline LifeLine provider (excluding the COLR) in addition to a wireless LifeLine provider in order for an area to qualify.¹⁵⁹ There is no basis for treating wireless LifeLine services alone as insufficient to satisfy the LifeLine prong of the test for significant consumer choice.

As a practical matter, consistent with the overall preference for mobile voice service, Californians overwhelmingly choose wireless LifeLine providers over wireline LifeLine ones. As of November 2025, there were only about 85,000 wireline LifeLine subscribers while there were more than 1.7 million wireless LifeLine subscribers.¹⁶⁰ Thus, *fewer than five percent* of California LifeLine subscribers take wireline service. Particularly given the limited collective

¹⁵⁸ BEAD Deployment Projects; *see also California Announces Grant Winners.*

¹⁵⁹ *See* Staff Report at 20–21.

¹⁶⁰ *See* Third-Party Administrator Data.

footprint of non-COLR wireline LifeLine providers,¹⁶¹ COLR relinquishment should not be contingent on the availability of an option that consumers increasingly find irrelevant.

If the Commission nevertheless retains the requirement for a wireline LifeLine provider for an area to qualify as having significant consumer choice, the Commission should clarify that a participant in the Home Broadband LifeLine Pilot (or a successor LifeLine broadband program) would satisfy that requirement. That clarification might make the requirement less restrictive because Comcast and Charter plan to participate in the pilot.¹⁶² In the future, however, highly competitive areas without a wireline participant in traditional LifeLine still may not qualify as having significant consumer choice because there is no guarantee that the pilot will last for more than three years or providers will continue to participate.¹⁶³

D. The Process for Establishing Wireless Coverage Should Be Readily Practicable.¹⁶⁴

Just as the Commission should align its treatment of wireless alternatives with their marketplace success, its analysis of wireless coverage should reflect Californians' reliance on mobile phones.¹⁶⁵ It is reasonable to require a COLR to provide evidence of any wireless providers on which it intends to rely.¹⁶⁶ As the staff recognizes, government broadband maps are the correct starting point, providing objective evidence of availability.¹⁶⁷ Indeed, government broadband maps are the gold-standard evidence of wireless coverage. The staff also proposes a

¹⁶¹ See *supra* note 26.

¹⁶² See *supra* note 25.

¹⁶³ See *Ord. Instituting Rulemaking To Update the Cal. Universal Tel. Serv. (Cal. LifeLine) Program*, D.25-08-050, 2025 Cal. PUC LEXIS 414, at *15 (Aug. 28, 2025).

¹⁶⁴ Response to Question IV (Application Phase) # 1 & Question Attachment C # 1.

¹⁶⁵ See *supra* note 7 (finding that 76.6 percent of California adults relied exclusively on wireless while only 1.7 percent were “landline-only” (*i.e.*, POTS or broadband VoIP)).

¹⁶⁶ See Staff Report at 70.

¹⁶⁷ See *id.* at 70, 74, 76–79

robust challenge process to supplement map-based evidence. The challenge process (or “customer input opportunity”) included in the staff proposal would allow customers to identify any inaccuracies in the broadband map and ensure that consumers in fact have access to wireless service in particular geographies.¹⁶⁸

The staff, however, would add an additional “sampling” requirement for wireless coverage.¹⁶⁹ Given the challenge process and consumers’ predominant reliance on mobile wireless for voice service, this sampling proposal is unnecessary. However, if testing is nonetheless required, it should be workable.

The staff proposal recognizes that testing at each location in the vast territories served by COLRs is infeasible and suggests a testing method based on samples in every census block to “estimate indoor voice quality without having to enter private homes to conduct testing.”¹⁷⁰ There are over 353,000 census blocks that intersect with AT&T California’s service territory, about 288,000 of which have broadband serviceable locations according to the FCC’s National Broadband Map, and about 267,000 of which have population according to the 2020 U.S. Census. Sampling at even the census-block level thus would be prohibitive.¹⁷¹ Accordingly, if the Commission were to mandate verification beyond the challenge process, it should give COLRs flexibility to develop appropriate approaches that are practical to implement and avoid the problems with the protocols in the staff proposal.

¹⁶⁸ *See id.* at 70–71.

¹⁶⁹ *Id.*

¹⁷⁰ *Id.* at 70–71 & nn.185–86.

¹⁷¹ For similar reasons, checking other providers’ “website[s] to determine whether service is available at a given location” would be prohibitive if required. *Id.* at 70 (noting that such evidence may be relevant but *not* suggesting that it be mandatory).

1. Government Fixed and Mobile Broadband Maps and the Challenge Process Would Assure Customers Have Indoor Wireless Coverage.

Government fixed and mobile broadband maps generally, and the FCC's National Broadband Map specifically, are the best-available evidence to demonstrate the presence of other voice providers at scale.¹⁷² These maps are based on sophisticated propagation models that account for terrain and other factors that may impact wireless coverage.¹⁷³ The FCC and the Commission require carriers to submit accurate information of wireless coverage.¹⁷⁴ The

¹⁷² See AT&T California June 2025 Comments at 26–29; April 4 Workshop Video at 1:36:39–1:37:14 (statement of Nevada Commissioner Randall Brown) (“[AT&T] used the FCC’s broadband map, and while I think it’s open to discussion about the accuracy of those maps, others have said that there’s a process in place for challenging any discrepancies that consumers may find in those maps. And I will tell you that in the State of Nevada, ... the governor’s broadband office filed 80,000 challenges to the FCC’s map in Nevada. So lots of parties are looking at these maps, and I think it’s the best tool we have available today.”); see also L.B. 311, 109th Leg., Reg. Sess., § 4(2)(b), (d) (Neb. 2025) (newly adopted law allowing COLR relinquishment if a carrier can show two alternative voice providers in at least 75 percent of households outside of tribal areas, and allowing the carriers to rely on “data from the Federal Communications Commission’s Broadband Data Collection [the National Broadband Map] that is available at the time of the application”).

¹⁷³ See Letter from Selena Huang, Program Manager, Broadband – Video & Mkt. Branch, to Cal. Broadband Providers (Feb. 1, 2023) (noting that service areas where “limitations, construction barriers, [and] line of site issues” impact actual service will not be represented as being served); 47 C.F.R. § 1.7004(c)(3)(iii) (“For each of the mobile broadband technologies, 3G, 4G LTE, and 5G-NR, and for mobile voice services, the provider’s coverage maps must account for terrain and clutter and use terrain and clutter data with a resolution of 100 meters or better. Each coverage map must have a resolution of 100 meters or better.”) (“*Selena Huang February 2023 Letter*”); *Formatting Mobile Voice Availability Coverage Maps*, FCC (June 22, 2022), <https://help.bdc.fcc.gov/hc/en-us/articles/6047464151195-Formatting-Mobile-Voice-Availability-Coverage-Maps> (requiring filers of mobile voice availability maps to account for terrain and clutter data in their mobile propagation modeling); Iram Nausheen et al., *Propagation Models for Wireless Communication System*, 5 Int’l Rsch. J. of Eng’g & Tech. 237, 239 (2018) (explaining that outdoor propagation models account for terrain and the presence of trees, buildings, and other obstacles).

¹⁷⁴ See 47 C.F.R. § 1.7004(d) (requiring providers to certify that the reported data is accurate); *id.* § 1.7009(a) (“It shall be unlawful for an entity or individual to willfully and knowingly, or recklessly, submit information or data as part of the Broadband Data Collection that is materially inaccurate or incomplete with respect to the availability or the quality of broadband internet access service.”); *Selena Huang February 2023 Letter* (“Submissions shall reflect *actual service availability*. Specifically, locations where a provider has indicated they will not be able to provide service to a prospective customer—for reasons such as network limitations, construction barriers, line of site issues, etc.—shall not be represented as being served.” (emphasis added)); *id.* (“Failure to submit data accurately and timely risks your coverage areas not being included on the California Interactive Broadband Map, which could potentially open those areas to CASF grants.”).

Commission’s broadband maps reflect drive testing, and the FCC’s map includes a challenge process to improve the map’s accuracy.¹⁷⁵ The FCC’s National Broadband Map is now on its eighth iteration of data updates and challenges.¹⁷⁶ Indeed, the Commission itself has actively participated in the FCC broadband map proceeding.¹⁷⁷

A concern that the broadband maps may not always accurately reflect the extent of indoor wireless coverage due to building loss seems to underlie the staff proposal.¹⁷⁸ However, the inescapable inference from Californians’ predominant reliance on mobile service is that they have reliable indoor coverage. The maps thus represent, at a minimum, a reasonable approximation of indoor wireless coverage. In other words, the maps provide strong evidence of reliable indoor coverage.¹⁷⁹

¹⁷⁵ See Cal. Pub. Utils. Comm’n, *Frequently Asked Questions About the California Interactive Broadband Map 2* (2021), <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/broadband-mapping/faq-broadband-interactive-map--version-41--december-2021.pdf>; 47 C.F.R. § 1.7006(d)–(f) (outlining the process for challenging the accuracy of fixed service and mobile coverage maps); see also Cal. Pub. Utils. Comm’n, *California Broadband Data Processing and Validation 5–12* (2021), <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/broadband-mapping/california-broadband-data-processing-and-validation--2021-v22.pdf> (last visited Jan. 26, 2026).

¹⁷⁶ See FCC, *Broadband Data Task Force Announces Opening of Eighth Broadband Data Collection Filing Window & Fabric Challenge Deadline*, WC Docket Nos. 11-10, 19-195, Public Notice, DA 25-1080 (Dec. 18, 2025), <https://docs.fcc.gov/public/attachments/DA-25-1080A1.pdf>.

¹⁷⁷ See, e.g., *Ord. Instituting Rulemaking Proceeding To Consider Rules To Implement the Broadband Equity, Access, & Deployment Program*, D.24-05-029, 2024 Cal. PUC LEXIS 282, at *67 (May 9, 2024) (Finding of Fact 13) (explaining that the Commission challenged 9.9 million locations in the National Broadband Map). Instead of revealing a problem with maps, the volume of successful challenges illustrates the increase in accuracy from version to version.

¹⁷⁸ See Staff Report at 23–25.

¹⁷⁹ Hence, it would be unreasonable for financial penalties to be the remedy when wireless carriers fail to “provide customers with the capability to identify the exact coverage level for a specific address,” as the staff proposed in the Service Quality proceeding. See Serv. Quality Proceeding Phase One Staff Proposal 31 (filed June 27, 2024), in *Ord. Instituting Rulemaking Proceeding To Consider Amends. to Gen. Ord. 133*, R.22-03-016; Admin. L. Judge’s Ruling Issuing Staff Proposal attach. B § 6.2(c) (filed June 27, 2024), in *Ord. Instituting Rulemaking Proceeding To Consider Amends. to Gen. Ord. 133*, R.22-03-016 (“Wireless carriers shall provide the latest coverage maps to CD capable of verifying coverage at exact address, preferably using Geographical Information System shapefiles”).

A COLR should not have to provide further verification of indoor coverage absent a specific rebuttal of its map-based evidence.¹⁸⁰ The staff proposal includes a challenge process that provides a reasonable mechanism for presenting such specific rebuttals.¹⁸¹ AT&T California supports adoption of such a process. It would provide a sufficient backstop for particular instances where the map data prove to be inaccurate predictions of indoor wireless service.

2. Considerations Regarding Verification of Wireless Coverage

While the Commission may nevertheless believe that it needs some further verification of wireless coverage to demonstrate eligibility for relinquishment, the staff proposal should not be adopted. As noted, it contemplates an extraordinary number of sampled locations. But even putting this concern aside, it would not be appropriate to base any sampling approach on “using outdoor measurements collected from CalSPEED ... and calculating a Mean Opinion Score (MOS).”¹⁸²

a. MOS Does Not Provide a Valid Estimate of Customer Voice Call Experience.

The Commission should not adopt a method based on MOS, as the staff proposes. According to the International Telecommunications Union (“ITU”), estimates of customer opinion like MOS “are only made for transmission planning purposes,” not to validate customer experience.¹⁸³ In other words, estimates like MOS are adequate for network-planning purposes

¹⁸⁰ When the party with the burden of persuasion offers strong (or “*prima facie*”) evidence as the broadband maps provide for wireless coverage, the burden shifts to the party challenging the point. *See* 3 Witkin, California Evidence, Burden § 7 (6th ed. Jun. 2025) (noting that, once *prima facie* evidence of a particular fact has been established, “a determination in that party’s favor would necessarily be required in the absence of contradictory evidence” (citations omitted)).

¹⁸¹ *See* Staff Report at 38–39, 72.

¹⁸² *Id.* at 71 n.186.

¹⁸³ Int’l Telecomms. Union, Rec. G.107, *The E-model: A Computational Model for Use in Transmission Planning*, in *Transmission Systems and Media, Digital Systems and Networks*, at 1 (2015) (“Such estimates [of customer opinion] are only made for transmission planning purposes and not for actual customer opinion prediction (for which there is no agreed-upon model recommended by the ITU-T).”)

but are not reliable predictions of actual customer experience at a specific location. For this reason, wireless carriers typically do not use MOS to *verify* coverage at particular locations as the staff proposal suggests. Furthermore, when the FCC approved AP – A as an adequate replacement for POTS, the FCC did not consider MOS scores.¹⁸⁴ The Commission similarly should not require COLRs to use them to demonstrate wireless coverage.

b. CalsPEED Measurements Do Not Provide a Valid Estimate of Customer Voice Call Experience.

Even if MOS scores could provide a valid estimate of customer voice call experience, using CalsPEED measurements to calculate the MOS scores would not. CalsPEED “measures the reliability, quality, and availability of mobile wireless services.”¹⁸⁵ Using the CalsPEED app on a mobile device measures performance along the path from the user’s mobile device across the LTE or 5G interface, to the cell tower, over the backhaul connection from the cell tower, to the wireless carrier’s packet core network, through the peering point at which the wireless carrier exchanges traffic directly or indirectly with the Commission’s broadband provider,¹⁸⁶ along the

(attached as Appendix B). AT&T California requests the Commission to take official notice of this document pursuant to Rule 13.10 of its Rules of Practice and Procedure. Rec. G.107 describes the E-model, which yields *R* values, which can be used to calculate MOS. *See id.* at 15–16 (explaining the calculation).

¹⁸⁴ *See AT&T AP – A Application; AT&T Files Network Performance Test Plan in Connection with Planned Section 63.71 Tech. Transition Discontinuance Application*, Public Notice, 39 FCC Rcd. 9749 (2024) (“*AT&T AP – A Test Plan Public Notice*”); Network Performance Test Plan of AT&T (filed July 19, 2024), in *Section 63.71 Application of AT&T Servs., Inc., on Behalf of Its Affiliate Sw. Bell Tel. Co., LLC, d/b/a AT&T Okla.*, Docket No. WC 24-220 (attached as Appendix C) (“*AT&T AP – A Test Plan*”). AT&T California requests the Commission to take official notice of the *AT&T AP – A Test Plan Public Notice* and *AT&T AP – A Test Plan* pursuant to Rule 13.10 of its Rules of Practice and Procedure.

¹⁸⁵ *Mobile Broadband Testing*, Cal. Pub. Utils. Comm’n, <https://www.cpuc.ca.gov/calspeed> (last visited Jan. 23, 2026).

¹⁸⁶ For indirect exchanges, the wireless carrier will hand the traffic off to a transit provider’s network at one peering point, and the transit provider will hand the traffic off to the Commission’s broadband provider at another peering point. In fact, multiple transit providers might hand the traffic off to each other at peering points en route to the handoff to the Commission’s broadband provider.

Commission’s broadband provider’s network to its last-mile connection to the Commission’s local area network to the CalSPEED servers and back to the user’s device.

CalSPEED measurements do not estimate customer voice call experience on a wireless carrier’s network. *First*, CalSPEED measurements reflect the combined performance of the wireless carrier’s network, the peering point(s) at which the traffic is handed off between networks, any transit provider’s network, the Commission’s broadband provider’s network, and the Commission’s local area network. The measured performance also includes the performance of the CalSPEED servers. In short, CalSPEED measurements reflect far more than the performance of the wireless carrier’s network, making them unreliable for estimation of indoor wireless voice coverage.

Second, while the path that CalSPEED measures reasonably approximates the path of *data* traffic, wireless *voice* traffic follows an altogether different path. From the customer mobile device, voice service traffic traverses the LTE or 5G interface, over the backhaul connection from the cell tower, to the wireless carrier’s packet core network, to the wireless carrier’s voice core network, and finally to the destination carrier’s network for delivery to the called party. Because of the direct carrier-to-carrier handoff, this traffic does not transit the public internet, including public peering points, where it would be subject to best-effort service.¹⁸⁷ Among other

¹⁸⁷ See generally Bradley R. Smith & J.J. Garcia-Luna-Aceves, *Best-Effort Quality-of-Service* (2008), https://www.researchgate.net/publication/221092519_Best_Effort_Quality-of-Service (“Internet routing architecture is based on a *best effort* communication model”); ScienceDirect, *Multimedia Networks and Communication*, <https://www.sciencedirect.com/topics/computer-science/best-effort-service> (last visited Jan. 28, 2026) (“Best-effort service offerings are not predictable—they are based on the state of the network at any given time.”); Francesco Palmieri, *Improving the Performance in Multimedia Streaming Networks: A Differentiated Service Approach* (2003), <https://ieeexplore.ieee.org/document/1220568> (noting that best-effort service “does not guarantee bandwidth, low latency and timely delivery of packets”).

differences, wireless voice traffic receives priority handling on carrier networks,¹⁸⁸ and the direct carrier-to-carrier traffic handoff means that the traffic does not traverse the public internet where it might be degraded by best-effort service.¹⁸⁹ CalSPEED measurements thus do not provide a realistic simulation of wireless voice call performance, and one cannot assume that any deficiency that CalSPEED measurements purport to show also applies to voice calls.

Similar considerations appear to have led the FCC to abandon its 2016 adoption of latency and data-loss metrics in “determining whether a new service qualifies as an adequate replacement for a legacy voice service as part of [its] Section 214 discontinuance application process.”¹⁹⁰ In that decision, the FCC said that it would require the replacement service to achieve benchmarks for latency and data loss using the Measuring Broadband America program, which like CalSPEED also measures the performance of (a) the interconnection between the carrier’s network and the network hosting the measurement server, (b) the latter network, (c) the measuring entity’s local area network, and (d) the measurement server.¹⁹¹ Following that

¹⁸⁸ See, e.g., *Network Management Practices*, T-Mobile, <https://www.t-mobile.com/responsibility/consumer-info/policies/internet-service/network-management-practices> (last visited Jan. 28, 2026) (“T-Mobile offers other services to its customers that use the same network infrastructure and resources as its broadband internet access services and are given priority over other traffic on the network. These other services currently include calling-related services like Voice over Internet Protocol (VOIP), Voice over new radio (VoNR), Voice over LTE (VoLTE), Video over LTE (ViLTE).”); *Broadband Information – Network Practices*, AT&T, <https://about.att.com/sites/broadband/network> (last visited Jan. 28, 2026) (noting that voice services like VoIP and VoLTE receive priority treatment).

¹⁸⁹ See, e.g., Adnan Ghayas, *What Is The Difference Between IMS and VoLTE?*, Commsbrief (Nov. 20, 2021), <https://commsbrief.com/what-is-the-difference-between-ims-and-volte/> (explaining that VoLTE calls are facilitated through the use of carriers’ IP Multimedia Subsystems and are not delivered over the public internet). AT&T California requests the Commission to take official notice of this document, which is attached as Appendix D, pursuant to Rule 13.10 of its Rules of Practice and Procedure.

¹⁹⁰ *Tech. Transitions*; et al., Declaratory Ruling, Second Report and Order, and Order on Reconsideration, 31 FCC Rcd. 8283, 8285 ¶ 5 (2016). AT&T California requests the Commission to take official notice of this document pursuant to Rule 13.10 of its Rules of Practice and Procedure.

¹⁹¹ See *id.* at 8316–21 ¶¶ 94–104, app. B ¶¶ 16–20; FCC, Off. of Eng’g & Tech. & Consumer & Governmental Aff. Bureau, *2015 Measuring Broadband America Fixed Broadband Report 22–23* (2015), <https://data.fcc.gov/download/measuring-broadband-america/2015/2015-Fixed-Measuring-Broadband-America-Report.pdf> (describing the Measuring Broadband America program’s measurement process).

decision, parties explained the flaws in the FCC’s approach.¹⁹² When the FCC later reviewed an adequate-replacement test plan and demonstration of results, the FCC did not require testing for latency and data loss using the Measuring Broadband America program.¹⁹³ Instead, the FCC approved a different testing method that produces more accurate measurements of mobile voice traffic than Measuring Broadband America.¹⁹⁴ For similar reasons, the Commission should not require use of CalSPEED to estimate indoor wireless voice coverage.

c. A Reasonably Practicable Proposal for Estimating Indoor Wireless Voice Coverage

The science of coverage prediction and testing continues to evolve. The Commission should not lock itself (or COLRs) into what is practicable today. Moreover, the prediction and testing methods that make sense for one COLR or one relinquishment area may not make sense for another. Therefore, if the Commission requires testing to estimate indoor wireless voice

AT&T California requests the Commission to take official notice of *2015 Measuring Broadband America Fixed Broadband Report*, which is attached as Appendix E, pursuant to Rule 13.10 of its Rules of Practice and Procedure.

¹⁹² See Letter from Diane Holland, Vice President – L. & Pol’y, USTelecom, to Marlene H. Dortch, Secretary, FCC (Jan. 19, 2017), <https://www.fcc.gov/ecfs/document/10120269796602/1>; Letter from Diane Holland, Vice President – L. & Pol’y, USTelecom, to Marlene H. Dortch, Secretary, FCC (Sept. 26, 2016), <https://www.fcc.gov/ecfs/document/10926250133850/1>. AT&T California requests the Commission to take official notice of these documents, which are attached as Appendices F–G, pursuant to Rule 13.10 of its Rules of Practice and Procedure.

¹⁹³ See *AT&T AP – A Application* (noting that AT&T’s application would be deemed granted automatically on December 21, 2024, in accordance with Section 63.71(f) of the FCC rules); see also *AT&T AP – A Test Plan Public Notice*; *AT&T AP – A Test Plan*.

¹⁹⁴ The approved testing included end-to-end mouth-to-ear latency and packet loss measured between the two ends of the VoIP/VoLTE call according to the Internet Engineering Task Force’s *RFC 3903*. See *AT&T AP – A Test Plan* at 11 (citing Aki Niemi, Internet Eng’g Task Force, *RFC 3903: Session Initiation Protocol (SIP) Extension for Event State Publication* (2004), <https://www.rfc-editor.org/rfc/pdf/rfc3903.txt.pdf> (“*RFC 3903*”). AT&T California requests the Commission to take official notice of *RFC 3903*, which is attached as Appendix H, pursuant to Rule 13.10 of its Rules of Practice and Procedure. Compared with the Measuring Broadband America program, the *RFC 3903* standard’s latency and data loss measurements are more accurate for mobile voice traffic because they reflect direct carrier-to-carrier, prioritized traffic handoffs instead of traffic over the public internet subject to best-effort service.

coverage, the Commission should give COLRs the flexibility to propose the method for each relinquishment request.

In addition, to provide certainty of the process for each relinquishment, the Commission also should adopt at least one “safe harbor” process that always will be acceptable. Specifically, a COLR should be able to estimate indoor wireless coverage by conducting drive testing past a statistically significant sample of locations across the area proposed for relinquishment. The drive testing should measure Reference Signal Received Power (“RSRP”), and the COLR should make appropriate adjustments for the signal attenuation from outdoors to indoors (“building loss”). If the adjusted RSRP measured for a wireless carrier is sufficient throughout the sample, the Commission should count that wireless carrier in determining whether an area is eligible for relinquishment.¹⁹⁵

For these reasons, RSRP drive-test measurements with an appropriate adjustment for building loss offer a superior approach to estimating indoor wireless voice coverage than using

¹⁹⁵ It is incorrect to suggest that a demonstration of broadband coverage may not also show voice coverage because broadband coverage may reflect a “bursty” internet connection that quickly sends and receives data.” Staff Report at 70. In fact, voice calls require very little bandwidth. *See, e.g.,* FCC, *Consumer Guide: Broadband Speed Guide* 1 (2020), https://www.fcc.gov/sites/default/files/broadband_speed_guide.pdf (VoIP calls require a minimum download speed of less than 500 kbps); John Zhang, *What Is the Bandwidth Requirement for CAT6 LTE VOIP VOLTE CPE PCBA?*, iHUA (Oct. 2, 2025), <https://www.ihuaglobe.com/blog/what-is-the-bandwidth-requirement-for-cat6-lte-voip-volte-cpe-pcba-1287211.html> (“250 - 300 kbps per VOLTE call”); *Zoom System Requirements: Windows, macOS, Linux*, Zoom Support, https://support.zoom.com/hc/en/article?id=zm_kb&sysparm_article=KB0060748 (last visited Jan. 23, 2026) (60–80 kbps for audio VoIP and 60–100 kbps for Zoom phone); *Voice Connectivity Requirements*, Google Help, <https://support.google.com/a/answer/9206518?hl=en#zippy=%2Cbandwidthrecommendation-per-participant> (last visited Jan. 23, 2026) (32 kbps minimum requirement for Google Voice). AT&T California requests the Commission to take official notice of these documents, which are attached as Appendices I–L, pursuant to Rule 13.10 of its Rules of Practice and Procedure. And voice calls receive priority and enjoy a higher quality of service than most traffic on wireless carrier networks. *See supra* nn.188–189. As a result, burstiness does not disrupt wireless voice calls. The prioritization of wireless voice calls similarly makes it unnecessary to test for latency, packet loss, and jitter in addition to RSRP to estimate indoor wireless voice coverage.

CalSPEED to calculate MOS. It would be arbitrary and capricious for the Commission to require either the use of CalSPEED or the calculation of MOS.

IV. THE STAFF’S PROPOSED RELINQUISHMENT PROCEDURES SHOULD BE MODIFIED TO ENSURE MEANINGFUL COLR REFORM.

The staff properly recognizes that the Commission’s revised COLR rules should not only set out a legal standard for relinquishment, but also the procedures for seeking it. Appropriate procedures would ensure timely COLR relinquishment to free up resources for deployment of modern networks. Unfortunately, several of the procedural requirements the staff suggests would throw up unnecessary roadblocks where relinquishment is warranted.

A. An Unduly Lengthy Process for COLR Relinquishment in Eligible Areas Would Harm California.

COLR relinquishment serves the public interest. It facilitates broadband deployment by freeing ILECs of the costs of maintaining an obsolete network—resources that can be used for modern broadband networks. This Commission has recognized that “[p]roviding for more broadband deployment as a means of bridging the Digital Divide has become an enhanced priority for California.”¹⁹⁶ In the words of Governor Newsom’s Executive Order N-73-20, “deploying affordable and reliable broadband networks throughout California will accelerate continuous improvements in economic and workforce development, infrastructure, public safety, education, economy, and an engaged citizenry.”¹⁹⁷

Broadband access is a critical component of “digital equity for California’s diverse populations,” particularly its low-income communities that need high-speed broadband for

¹⁹⁶ *Ord. Instituting Investigation into the Creation of a Shared Database or Statewide Census of Util. Poles & Conduit in Cal.*, D.22-10-025, 2022 Cal. PUC LEXIS 467, at *7 n.22 (Oct. 20, 2022); see also Cal. Exec. Order No. N-73-20 (Aug. 14, 2020), <https://www.gov.ca.gov/wp-content/uploads/2020/08/8.14.20-EO-N-73-20.pdf> (“Cal. Exec. Order No. N-73-20”).

¹⁹⁷ Cal. Exec. Order No. N-73-20.

remote learning, remote work, and economic advancement.¹⁹⁸ Similarly, and as the Commission has found, access to state-of-the-art broadband is indispensable to economic opportunity and civic engagement in tribal communities.¹⁹⁹ Given the substantial public interest in the expansion of broadband, policymakers have appropriated public funding for various programs to expedite broadband deployment to unserved and underserved areas across the country.²⁰⁰ California itself has created, and the Commission administers, programs such as CASF and FFA, both of which fund broadband deployment.²⁰¹

Consistent with these statewide broadband deployment priorities and the public interest they advance, the Commission should recognize that the rules it adopts in this proceeding will affect the attraction of much-needed private-sector capital (which will be necessary to augment existing public funding) for broadband network expansion in California. Accordingly, the Commission should ensure that these rules support, not obstruct, broadband deployment. As the FCC explained during the Obama Administration, removing legacy universal service obligations “at least incrementally is likely to free up service provider funds for broadband investment.”²⁰² Freeing up such funds would lead to greater broadband deployment in parts of California with limited consumer choice.

¹⁹⁸ *Id.*

¹⁹⁹ *See, e.g., CPUC Acts To Increase Broadband Deployment Throughout California*, Cal. Pub. Utils. Comm’n (Feb. 24, 2022), <https://www.cpuc.ca.gov/news-and-updates/all-news/cpuc-acts-to-increase-broadband-deployment-throughout-california-02-24-2022>.

²⁰⁰ *See* Pac. Bell Tel. Co. d/b/a AT&T Cal.’s (U 1001 C) Opening Comments 25–26 & nn.94–99 (filed Sept. 30, 2024) (enumerating and discussing such programs) (“AT&T California September 2024 Comments”).

²⁰¹ *See id.* at 25–26 & nn.94–95.

²⁰² *Lifeline & Link Up Reform & Modernization*, Third Report and Order, 31 FCC Rcd. 3962, 4084 ¶ 337 (2016).

B. Certain Proposals Unnecessarily Would Prolong the COLR Relinquishment Process.

1. The Staff Proposal Includes Unnecessary Limits on the Number and Scope of Relinquishment Applications, Including a Highly Restrictive Contiguity Requirement.²⁰³

The Commission should establish clear criteria for relinquishment and identify acceptable sources of data to demonstrate compliance. Clear guidance would make relinquishment available through advice letters without requiring years-long application proceedings. Furthermore, the Commission should reject the staff proposal limits on the number and scope of relinquishments, which would needlessly slow the pace of reform. The Commission should opt for a simpler approach.

- a. The Commission Should Permit COLRs To Relinquish via Advice Letters Instead of Applications.

If the Commission sets clear criteria for COLR relinquishment and identifies acceptable data sources for demonstrating satisfaction of those criteria, there is no reason to require a formal application, as the staff proposal specifies, instead of an advice letter.²⁰⁴ General Order 96-B provides that “Industry Division disposition is appropriate where statutes or Commission orders have required the action proposed in the advice letter, or have authorized the action with sufficient specificity, that the Industry Division need only determine as a technical matter whether the proposed action is within the scope of what has already been authorized.”²⁰⁵ With clear guidance, the Tier 2 advice letter process thus would be appropriate.

If the Commission nonetheless believes a formal application must be submitted, it should adopt a firm shot clock for resolving these applications promptly. Application reviews should not

²⁰³ Responses to Questions IV (Pre-Application Phase) #s 1–4.

²⁰⁴ See Staff Report at 35.

²⁰⁵ Cal. Pub. Utils. Comm’n Gen. Order 96-B § 7.6.1.

take the 18 months allowed for ratemaking under the Public Utilities Code,²⁰⁶ nor should they be extended for additional months or years. Timely resolution is essential to ensure that relinquishment does not become an obstacle to broadband progress.

b. The Staff Proposal Would Unduly Restrict Applications.

The staff proposal resorts to bureaucratic procedures to attempt to prevent relinquishments from supposedly overwhelming the Commission.²⁰⁷ Under the staff proposal, a COLR could submit only one application per calendar year, and each application would be capped at 20 percent of the total “units” in its designated territory and a “contiguous” area no larger than 10,500 square miles.²⁰⁸ The 20-percent cap would likely draw out the relinquishment process well into the 2030s, if not longer. At minimum, it would require at least five applications to cover all units in a COLR’s territory. While AT&T California appreciates that the Commission will need to devote resources to review COLR relinquishments, the staff has not demonstrated that a request covering, say, 40 percent of a COLR’s territory will impose substantially more burden than 20 percent. Overall, a few larger requests may impose less burden than a greater number of sequential, smaller ones.

The contiguity requirement would make matters worse; by itself, it would prevent AT&T California from obtaining territory-wide relinquishment for over 40 years.²⁰⁹ *First*, a COLR’s contiguous territory is not homogenous. Rather, a COLR’s contiguous territory typically includes a mix of areas with different marketplace conditions—some that satisfy the definition of

²⁰⁶ See Cal. Pub. Util. Code § 1701.5(a).

²⁰⁷ See Staff Report at 27–28 (stating that “limiting the size of a COLR withdrawal application is necessary to ensure that the Commission, the public, and all interested parties are able to effectively and thoroughly evaluate the application and the potential effect on consumers”).

²⁰⁸ See *id.* at 28. Appendix D suggests that “unit” may refer to a housing unit. See *id.* at 74, 76. In any event, the Commission should define “unit” more clearly.

²⁰⁹ As discussed below, AT&T California has over 40 noncontiguous areas in its service territory.

“significant consumer choice” and others that do not. Both Los Angeles County and Southwestern San Bernardino County, for instance, have intermixed qualifying and nonqualifying areas. As a result, under the standard in the staff proposal, each application would likely cover fewer than 20 percent of the units in the COLR’s territory.

This problem would compound over time. Broadband deployment is ongoing, so areas that are ineligible today may qualify in the future. Yet, under the one-application-per-year and contiguity rules, a COLR would not be able to include newly eligible but noncontiguous areas for years while it pursues relinquishment in other parts of its territory. In practice, noncontiguous areas that fail to meet the criteria in the first round would likely remain unaddressed for years, even after they become eligible.

Second, COLR service territories contain many small “islands.” For instance, AT&T California has over 40 noncontiguous areas in its service territory, including four in Los Angeles County, six in Inyo County, and 17 in San Bernardino County.²¹⁰ Under the staff proposal, AT&T California would have to submit a separate application in a different year for each one, regardless of size. This process would require *over four decades* to complete for just these areas.

Other states do not impose similar restrictions. Colorado, Nevada, and Wisconsin, for example, do not limit COLR relinquishment applications in these ways.²¹¹ And the Washington

²¹⁰ See Study Area Boundary Data, FCC (May 20, 2025), <https://www.fcc.gov/economics-analytics/industry-analysis-division/study-area-boundary-data> (Click on “Download Study Area Boundaries” to download study area boundary shapefile; to identify data for AT&T California, use GIS software and restrict to the AT&T California study area by filtering to features where CO_NAME = “PACIFIC BELL”). AT&T California requests the Commission to take official notice of these data pursuant to Rule 13.10 of its Rules of Practice and Procedure.

²¹¹ See 4 Colo. Code Regs. § 723-2-2186 (setting forth its provider of last-resort (“POLR”) relinquishment process without restrictions on the number of applications, the number of customers affected by the withdrawal); April 4 Workshop Video at 1:33:33–1:37:15 (statement of Nevada Commissioner Randall Brown) (describing Nevada’s POLR relinquishment process, which does not have restrictions on the number of applications that can be submitted per year, the area covered by a single application, the number of affected customers, the population size, or the geographic area); Wis. Stat. § 196.503 (setting

State example cited in the staff proposal is not comparable—it concerns discontinuance of local exchange service, not COLR relinquishment.²¹² Moreover, the Washington State limits apply only to discontinuances at “Challenging Customer Locations,” not to locations with qualifying fixed broadband service from at least two providers other than CenturyLink.²¹³ Because of these distinctions, the Washington State limits do not support the reasonableness of the staff proposal.²¹⁴

Moreover, the Commission should not bar reapplication for an area for 24 months, as the staff proposes.²¹⁵ If the COLR can resolve the issues quickly, the Commission should allow the COLR to reapply without waiting.

2. Other Proposed Procedures Are Unreasonably Burdensome and Would Further Delay the Process.²¹⁶

In addition to imposing arbitrary limits on the number and scope of applications, the staff proposal includes procedural requirements that would create logistical challenges without delivering meaningful benefits to consumers. *First*, the staff proposal would mandate pre-application information sessions for every 50,000 residents and within 50 miles of every basic service customer.²¹⁷ For AT&T California, which serves more than 29.6 million residents, this

forth its POLR waiver process without restrictions on the number of applications, the area covered by the application, or the number of customers affected by the withdrawal).

²¹² See Staff Report at 28; Second Full Multiparty Settlement Agreement attach. A, in *Petition of the CenturyLink Cos. – Qwest Corp.; CenturyTel of Wash., Inc.; CenturyTel of Inter Island, Inc.; CenturyTel of Cowiche; & United Tel. Co. of the Nw.*, Docket No. UT-240029 (filed July 8, 2025), <https://apiproxy.utc.wa.gov/cases/GetDocument?docID=781&year=2024&docketNumber=240029> (“CenturyLink Wash. Settlement”).

²¹³ CenturyLink Wash. Settlement attach. A at 5–6.

²¹⁴ Moreover, this Commission’s greater resources should allow it to handle more applications than the Washington Utilities and Transportation Commission.

²¹⁵ See Staff Report at 29.

²¹⁶ Part of this section is in response to Question IV (Application Phase) # 1.

²¹⁷ See Staff Report at 34.

requirement would translate into nearly 600 separate information sessions to relinquish COLR status throughout its territory. It appears the staff proposal envisions in-person sessions, even though virtual meetings have proven effective and far more efficient.²¹⁸ Requiring hundreds of in-person sessions would divert resources from broadband deployment and impose unnecessary costs without improving consumer engagement. If the Commission nevertheless believes that in-person sessions are necessary, it should not require more than one for every 50,000 basic service customers in the area proposed for relinquishment. Using this benchmark instead of residents would account for variability in the number of residents per household. More importantly, counting the 97 percent of households in AT&T California’s service territory that already have abandoned POTS for modern services would massively overestimate the interest in information session participation.²¹⁹

Second, the Commission should not require a relinquishing COLR to demonstrate 100-percent compliance with service-quality metrics for the 24 months preceding its application.²²⁰ Both General Orders 133-D and 133-E establish percentage-based minimum standards with defined exemptions and proportional enforcement mechanisms, rather than mandating 100-percent, blanket compliance across all metrics.²²¹ The Commission just revised

²¹⁸ See, e.g., *Public Participation Hearing – Application of AT&T California To Withdraw Its Eligible Telecommunications Carrier Designation (A.23-03-002) and Application of AT&T California for Relief from Its Carrier of Last Resort Obligation (A.23-03-003)*, Cal. Pub. Utils. Comm’n Webcast Archive (Mar. 19, 2024), <https://www.adminmonitor.com/ca/cpuc/hearing/20240319/>; *Public Participation Hearing – Order Instituting Rulemaking To Consider Regulating Telecommunications Services Used by Incarcerated People*, Cal. Pub. Utils. Comm’n Webcast Archive (Apr. 28, 2021), <https://www.adminmonitor.com/ca/cpuc/hearing/20210428/>; see *supra* page 10.

²¹⁹ As discussed below, providing notice to residents instead of basic service customers would spark confusion and unwarranted concern that the COLR may be planning to discontinue the *modern* services on which they rely. See *infra* page 65–66.

²²⁰ See Staff Report at 29.

²²¹ See Cal. Pub. Utils. Comm’n Gen. Order 133-D; Cal. Pub. Utils. Comm’n Gen. Order 133-E.

General Order 133 and should not use this proceeding to add additional enforcement mechanisms for COLRs alone among the providers that are subject to General Order 133.

Third, the staff proposal also would require COLRs to include information in their relinquishment applications about ancillary-service users and California Connect customers.²²² This requirement is unreasonable because COLRs typically do not maintain—and cannot reasonably obtain—this information. For example, COLRs have limited visibility into which circuits support ancillary services such as alarm systems, elevators, and highway callboxes.²²³ When an ancillary service uses basic service or another TDM-based²²⁴ service to which the customer subscribes separately, the COLR generally *does not know* that its circuits are being used for the ancillary service.²²⁵ Even when an ancillary service provider purchases basic service or another TDM-based service from a COLR as an input to the ancillary service,²²⁶ the provider may or may not disclose that the circuit is used for ancillary services. Either way, the COLR lacks much, if not all, of the data the staff proposal would require it to include in its relinquishment application.²²⁷

²²² See Staff Report at 28, 70.

²²³ See AT&T California November 2025 Comments at 18–20; Charter Opening Comments at 4; Comcast Opening Comments at 3; Response of Consol. Commc'ns of Cal. Co., LLC (U 1015 C) to Admin. L. Judge's Oct. 1, 2025 Ruling Regarding Comments on Topics Discussed at Aug. 22, 2025 Workshop 6 (filed Nov. 21, 2025) (“Consolidated Opening Comments”); Cox Opening Comments at 4–5; Frontier Opening Comments at 5; Response of Happy Valley Tel. Co. (U 1010 C), Hornitos Tel. Co. (U 1011 C), Winterhaven Tel. Co. (U 1021 C) (the “TDS Companies”) to Admin. L. Judge's Oct. 1, 2025 Ruling Regarding Comments on Topics Discussed at Aug. 22, 2025 Workshop 4 (filed Nov. 21, 2025) (“TDS Companies Opening Comments”); T-Mobile W. LLC's Response to Admin. L. Judge Glegola's Oct. 1, 2025 Ruling Regarding Comments on Topics Discussed at Aug. 22, 2025 Workshop 3–4 (filed Nov. 21, 2025); Comments of Verizon on ALJ Ruling Regarding Topics Discussed at Aug. 22, 2025 Workshop 11–13 (filed Nov. 21, 2025).

²²⁴ “TDM” stands for time-division multiplexing.

²²⁵ See AT&T California November 2025 Comments at 21.

²²⁶ AT&T California has frozen the DS1 and DS3 services that are the TDM services (other than POTS) that are most likely to be used for ancillary services. See Pac. Bell Tel. Co. d/b/a AT&T Cal. (U 1001 C) Advice Letter No. 49659 (Dec. 15, 2023).

²²⁷ See AT&T California November 2025 Comments at 21.

Similarly, COLRs do not track which households use California Connect devices.²²⁸

Requiring submission of information that applicants cannot reasonably provide offers no public benefit and would unnecessarily complicate the application process. Identification of customers who dial 711 relay service to report the volume of such calls would be unreasonably burdensome for carriers like AT&T California that do not already track these call volumes in the ordinary course of business.²²⁹ It also would be unnecessary to protect consumers; COLR relinquishment will not reduce access because the FCC requires interconnected VoIP and mobile voice providers to support 711 dialing for free access to relay services, including California Relay Service.²³⁰

Individually, each of these proposed limits and procedural requirements would pose an unwarranted challenge for a COLR that seeks to relinquish its obligation. Taken together, they would make COLR relinquishment a slow, cumbersome process that would stretch for decades.

3. The Commission Should Tailor Transition and Provisional Withdrawal Requirements to Actual Needs.²³¹

Beyond these arbitrary limits and procedural hurdles, the staff proposal also includes requirements related to customer transition plans and provisional withdrawal periods. Those requirements would add further delays and administrative complexity without delivering meaningful consumer benefits. California is at the end of its transition to modern networks, not

²²⁸ See Pac. Bell Tel. Co. d/b/a AT&T Cal.'s (U 1001 C) Reply Comments on Admin. L. Judge's Ruling Regarding Comments on Topics Discussed at Aug. Workshops 7 & n.25 (filed Dec. 4, 2025) ("AT&T California December 2025 Reply Comments") (citing AT&T California November 2025 Comments at 30 (explaining that, with limited exceptions, AT&T California does not know which of its customers participate in California Connect); Consolidated Opening Comments at 10; Frontier Opening Comments at 9; TDS Companies Opening Comments at 6).

²²⁹ See AT&T California November 2025 Comments at 34; Consolidated Opening Comments at 10; Frontier Opening Comments at 9–10; TDS Companies Opening Comments at 6.

²³⁰ See 47 C.F.R. §§ 64.601(b), 64.603(a), 64.604(c)(4)–(5); AT&T California November 2025 Comments at 9–10, 12.

²³¹ Response to Response to Questions IV (Application Phase) # 2; Question IV (Provisional Withdrawal Period) #s 1–4; Question IV (Conclusion) #s 1–2.

the beginning. Only three percent of households in AT&T California’s service territory still subscribe to its basic service. In this context, the Commission does not need to adopt a lengthy transition and provisional withdrawal period.

To this end, the Commission should require submission of a customer transition plan with a relinquishment application only when a COLR seeks to transfer its obligation to a replacement COLR and plans to transfer its basic service customers to that replacement COLR. Requiring a transition plan in any other circumstance serves no purpose because no customers would be transferred.

Furthermore, AT&T California generally intends to transition its remaining basic service customers to another AT&T service. Where basic or MES customers have another AT&T service available, it would be unreasonable and a likely First Amendment violation to compel AT&T California to market its competitors’ services as well as its own.²³²

²³² See Staff Report at 38 (“The website should include up to date information on voice and broadband service offered by other Qualified Providers in the withdrawal area. Lastly, basic service customers must be able to call the company and receive assistance from a customer service representative to identify other service providers who service their specific address.”). This proposed compelled marketing would violate the First Amendment in three respects. *First*, it would impose “governmental control over the *content* of messages expressed by private [parties],” something the First Amendment typically “does not countenance.” *Turner Broad. Sys. v. FCC*, 512 U.S. 622, 641 (1994). And this would not be “the rare case in which a State demonstrates that a speech [law] is narrowly tailored to serve a compelling interest.” *Williams-Yulee v. Fla. Bar*, 575 U.S. 433, 444 (2015) (quotation marks omitted). *Second*, the proposal would regulate more than “commercial” speech, which is “speech that does no more than propose a commercial transaction.” *Harris v. Quinn*, 573 U.S. 616, 648 (2014) (citation omitted). Here, the COLR would not maintain the mandated website and customer assistance to win customers; it would do so because of the Commission’s compulsion. And, in any event, the requirement would “advance” no “substantial” government interest while also not being “narrowly drawn” and “more extensive than is necessary to serve that interest.” *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n of N.Y.*, 447 U.S. 557, 565–66 (1980). *Third*, “the Supreme Court has refused to” uphold mandates as mere “disclosure[s]” when they “did not involve voluntary commercial advertising.” *Nat’l Ass’n of Mfrs. v. SEC*, 800 F.3d 518, 523 (D.C. Cir. 2015) (citing *Zauderer v. Off. of Disciplinary Counsel of the Sup. Ct. of Ohio*, 471 U.S. 626 (1985)). Moreover, justifiable disclosure mandates require only “purely factual and uncontroversial information about the terms under which ... services will be available.” *Nat’l Inst. of Fam. & Life Advocs. v. Becerra*, 585 U.S. 755, 768 (2018) (citation omitted). Here, the proposed compelled marketing “in no way [would] relate[] to the services that [the COLR] provide[s].” *Id.* at 769. Instead, it would require disclosure of information about *others’* services. Furthermore, “[e]ven under

Other features of the proposed provisional withdrawal period similarly would slow the relinquishment process and impose administrative burdens without corresponding improvements to consumer protection. The proposed 24-month provisional withdrawal period is excessive.²³³ The COLR has every incentive to resolve any issues quickly to complete its relinquishment. If the Commission determines that a provisional withdrawal period is necessary, six months would provide ample time.²³⁴ Likewise, there is no need for the provisional period to extend beyond the point at which the Commission authorizes the COLR to stop offering basic service because service discontinuance has its own safeguards.²³⁵

The Commission also should narrowly focus the proposed “extended customer input process.”²³⁶ For example, if a customer disputes mobile wireless coverage, the customer should provide reasonable substantiation of the claim. The staff proposal appropriately provides for

Zauderer,” the government must show that the compulsion “extend[s] no broader than reasonably necessary.” *Id.* at 776 (cleaned up). The proposed compelled marketing here would fall well short of that standard. *See id.* at 776–78.

²³³ *See* Staff Report at 36.

²³⁴ The Commission’s Mass Migration Guidelines, which require competitive carriers exiting the market to give at least 60 days’ customer notice and complete the transition within 90 days of submitting the application for withdrawal, demonstrate that a six-month provisional withdrawal period provides more than adequate time for customer transition and Commission oversight. *See Ord. Instituting Rulemaking To Establish Rules Governing the Transfer of Customers from Competitive Loc. Carriers Exiting the Loc. Telecomms. Mkt.*, D.10-07-024, 2010 Cal. PUC LEXIS 288, attach. 3, at *77–106 (“Mass Migration Guidelines”) (Aug. 4, 2010). These established timelines for large-scale service migrations demonstrate that transitions can be completed in roughly three months, making six months more than sufficient for any provisional withdrawal period.

²³⁵ Any reporting during the provisional withdrawal period should be limited to the COLR’s own subscribers. While this appears to be the staff’s intent, the proposal could be interpreted to require reporting on other providers’ subscribers, *see* Staff Report at 37 (requiring data on other Qualified Provider’s website and messages to customers, among other evidence), which would be an obligation the COLR could not reasonably fulfill.

²³⁶ *See id.* at 38.

company determination of such challenges in the first instance, subject to appeal to the Commission.²³⁷

Beyond these concerns, the staff proposal also introduces additional standards and restrictions—governing the conclusion of the provisional withdrawal period, restoration of obligations, and freezes on adjacent-area applications—that would compound delays and create unnecessary complexity. For relinquishments based on the presence of alternative providers, the Commission’s determination of whether a COLR has successfully completed the provisional withdrawal period should focus on two essential factors: whether customers have access to alternative service and whether notice requirements were met. For relinquishments based on a network-modernization commitment, deployment of advanced network infrastructure is the essential factor. Arbitrary compliance windows or unrelated service-quality metrics should not apply. Such measures do not concern the continued availability of alternative communications services post-relinquishment and would only add unnecessary complexity to the process.

In the unlikely event that restoration of the COLR obligation becomes necessary, it should be narrowly tailored to those specific locations where the expected alternatives turned out not to be present. Carving out these specific locations would fully protect customers while allowing modernization to proceed in areas where alternatives are available.

The staff proposal also includes a temporary freeze on new relinquishment applications for adjacent areas if the Commission determines that a substantive review or reimposition of COLR obligations is necessary in a given area.²³⁸ This logic does not withstand scrutiny and

²³⁷ If the customer does not provide reasonable indoor access to the company, the Commission should permit the company to rely on exterior testing. In such cases, for alternative voice services using wireless technology, the Commission should permit the company to make an appropriate assumption about building loss.

²³⁸ *See id.* at 40–41.

would unnecessarily delay the COLR reform process. The assumption that “service and conditions are likely to be similar in adjacent regions”²³⁹ ignores California’s highly variable topography, development patterns, and the patchwork deployment of fixed broadband.²⁴⁰ Instead of imposing an overbroad automatic freeze, the Commission should adopt a case-by-case approach based on actual conditions rather than unsupported generalizations.

V. THE COMMISSION SHOULD ADOPT ADDITIONAL PATHS TO RELINQUISHMENT FOR AREAS WITH NO DEMAND AND AREAS WHERE THE COLR DEPLOYS FIBER.

The staff proposal offers no path for COLR relinquishment in two critical areas—where there is no demand and where the COLR makes a commitment to deploy fiber. *First*, where there is no demand for COLR basic service because, for example, the area is unpopulated, the staff proposal would nonetheless force each COLR to continue to offer basic service or MES. Universal service does not require this. Rather, the Commission should adopt a streamlined process to remove the COLR obligation in areas without demand.

If an area later becomes populated but does not attract a provider, appropriately funded government programs (like BEAD and FFA) can ensure deployment. Today’s array of service providers means that the Commission should not uniquely burden COLRs with the responsibility to deploy service to such greenfield developments. Indeed, as discussed above, such an obligation would violate Section 254 of the federal Communications Act and would raise serious equal protection concerns.²⁴¹ And placing that burden on existing COLRs could reduce

²³⁹ *Id.* at 40.

²⁴⁰ For example, as noted above, Los Angeles County and southwestern San Bernardino County both contain many intermixed areas that do and do not qualify as having significant consumer choice. *See supra* page 56.

²⁴¹ *See supra* Sections II.C.3–4.

incentives for other providers to deploy in those areas, counterproductively deterring competition.²⁴²

Second, the Commission should additionally consider the adoption of a path for COLR relinquishment predicated on a COLR’s fiber deployment commitment. The creation of an “express lane” for COLR relinquishment following the approval of a Tier 2 advice letter setting forth the fiber build commitment would greatly complement the staff proposal’s framework by offering an additional mechanism for COLR reform. This approach incentivizes fiber investment and furthers the Commission’s commitment to deploying advanced communications services across California by allowing COLRs to redirect resources from outdated legacy networks to connect customers to new fiber services in an expedited fashion.

VI. MISCELLANEOUS ISSUES

A. Notice Issues

The proposed notice language in the staff proposal risks confusing or misleading customers. For example, requiring that the notice “include an explicit notification that the end of the COLR obligation may result in discontinuation of Basic Service in the future” would lead many customers to fear that they will lose service immediately upon COLR relinquishment.²⁴³

As AT&T California and other parties have explained, COLR relinquishment does not itself discontinue service.²⁴⁴ Because only service discontinuance changes the customer’s service, notice requirements are only necessary if and when that event occurs.²⁴⁵

²⁴² See *supra* pages 20–21.

²⁴³ See Staff Report at 71.

²⁴⁴ See AT&T California December 2025 Reply Comments at 10–11; see also Consolidated Opening Comments at 5; Frontier Opening Comments at 2, 4–5; TDS Companies Opening Comments at 3; Comments of USTelecom on ALJ Ruling Regarding Comments on Topics Discussed at the Aug. 22, 2025 Workshop 2–3 (filed Nov. 21, 2025).

²⁴⁵ See Cal. Pub. Utils. Comm’n Gen. Ord. 96-B Telecomms. Indus. Rule 3.2; 47 C.F.R. § 63.71; see also AT&T California December 2025 Reply Comments at 10 & n.40.

The Commission should limit application notice to current basic service customers rather than recent basic service customers or customers of other services. Limiting notice to current customers would ensure that outreach is targeted to those who might be affected by changes in a carrier's COLR obligations. Expanding notice obligations beyond this group would create unnecessary confusion for customers who do not receive basic service while also imposing undue administrative burdens on carriers without improving consumer protection.²⁴⁶ For similar reasons, while the staff proposal of a public website for the customer input process is reasonable, broad publication about this process, which the staff also suggests, likely will lead to unnecessary confusion and distress among the public.²⁴⁷ To avoid this public confusion and distress, the Commission should limit any required notice of the proposed customer input process to current basic service customers.

B. Any Backup Power Requirements Should Apply Industrywide.

The staff proposal also would require COLRs offering MES with VoIP to provide “the opportunity for customers to obtain [customer-premises equipment (“CPE”)] from the COLR capable of 72 hours of backup power.”²⁴⁸ Because power outages affect customers of all communications providers, not just COLRs, any backup-power requirements should be adopted in the ongoing resiliency proceeding²⁴⁹ or another docket to which all industry participants are subject.

²⁴⁶ See Staff Report at 72 (requiring COLR to “provide written notice to all customers in the affected application area, including customers currently subscribed to basic service or have subscribed to basic service at any point in the five years preceding the application’s filing date”). COLRs may no longer have current address information for even recent customers who do not currently subscribe.

²⁴⁷ See *id.*

²⁴⁸ *Id.* at 52; see also *id.* at 1 n.1, 13 n.29.

²⁴⁹ See *Ord. Instituting Rulemaking To Update Commc’ns Emergency Preparedness & Network Resiliency Program*, R.25-07-014, 2025 Cal. PUC LEXIS 361 (Jul. 24, 2025).

In addition, the staff proposal is unclear. If the Commission considers this proposal in any docket, the Commission should clarify that a subject provider only must offer backup-power sources for CPE that the provider itself furnishes to the customer (by sale or otherwise). The Commission also should clarify that each backup-power source may have a projected duration of less than 72 hours, so long as the customer may obtain multiple backup-power sources that should last for 72 hours through successive deployment (*e.g.*, three 24-hour batteries).

C. The Cited Allegations of Basic Service Denials Generally Do Not Appear To Involve Basic Service.

The staff seeks to raise concerns about compliance with existing COLR rules despite conceding that it “is not a scoped issue in this proceeding.”²⁵⁰ These concerns are thus not relevant, but, more fundamentally, the staff’s examples do not call into question whether COLRs have been upholding their existing obligations.

Most of the allegations of basic service denials cited in footnotes 98–99 of the Staff Report do not appear to allege denials of *basic service*.²⁵¹ For example, the Soquel and the Fairfield examples appear to be internet service issues.²⁵²

In another instance cited in the Staff Report, the customer appears to have had an issue with her long-distance carrier and to be complaining that the COLR’s customer service

²⁵⁰ Staff Report at 45.

²⁵¹ *See id.* at 46 nn.98–99. The cited allegations made by one person at the Roseville PPH and by another at the Vista PPH do not identify the particular service that they were discussing, so it is not clear whether these allegations are examples of denials of basic service. *See* Reporter’s Transcript, *Public Participation Hearing - Order Instituting Rulemaking To Consider Changes to the Commission’s Carrier of Last Resort Rules (R.24-06-012)*, April 23, 2025, Roseville, CA at 337:4–10; Reporter’s Transcript, *Public Participation Hearing - Order Instituting Rulemaking To Consider Changes to the Commission’s Carrier of Last Resort Rules (R.24-06-012)*, April 9, 2025, Vista, CA at 14:20, 15:4–7, 21–25. Even assuming that their allegations were true, without the underlying facts and circumstances surrounding these alleged denials, these generalized and anecdotal allegations would not prove systemic denials of basic service practiced by COLRs.

²⁵² *See* Staff Report at 46 n.98.

representatives with whom she talked misunderstood her request. In any event, the customer stated that she was “paying AT&T every month for my basic service,” so she already had (and was therefore not denied) basic service.²⁵³

EQUAL’s allegation, also cited by the Staff Report, that AT&T has not introduced its POTS “in a box” replacement (AT&T California presumes EQUAL is referring to AP – A) on its face has nothing to do with denial of basic service but is also not accurate.²⁵⁴ As of August 2025, AP–A was available in almost all wire centers in AT&T California’s service territory.²⁵⁵ AT&T California has rolled out and actively marketed AP–A to customers wherever it is available.²⁵⁶

In all events, the fewer than a dozen anecdotal examples cited by Joint Commenters and, in turn, cited by the staff do not amount to a systemic problem. Indeed, they include cases where AT&T California could not provide (or repair) service due to factors beyond its control such as criminals stealing copper lines. In such cases, the Commission’s service-quality rules recognize that carriers may delay service due to cable theft, vandalism, third-party cable cuts, or lack of premises access.²⁵⁷ Copper theft, in particular, has reached unprecedented levels in areas like Los Angeles and has diverted significant technician resources that would otherwise be available for installations and repairs.²⁵⁸

²⁵³ See *id.* at 46 n.99.

²⁵⁴ See *id.* at 46 n.100.

²⁵⁵ Availability in a wire center does not mean that AP–A is available at every location in that wire center. Availability is currently based on whether a location has an adequate wireless signal or other broadband connection.

²⁵⁶ See *AP – A Informational*.

²⁵⁷ See Cal. Pub. Utils. Comm’n Gen. Ord. 133-D § 3.4.b (Aug. 18, 2016) (“The adjusted measurements exclude ... repair tickets when maintenance is delayed due to circumstances beyond the carrier’s control. Typical reasons for delay include but are not limited to: outage caused by cable theft, third-party cable cut, lack of premise access when a problem is isolated to that location, absence of customer support to test facilities, or customer’s requested appointment.”).

²⁵⁸ See, e.g., Cato Hernandez, *Copper Wire Thefts Leave LA Neighborhoods in the Dark. Here’s What Officials Are Doing To Try To Stop It*, LAist (Sept. 3, 2024), <https://laist.com/news/transportation/la-copper-wire-theft-streetlight-metal-dealer-arrest>; Angie Orellana Hernandez, ‘Significant Victory’: More

D. Evidence Does Not Support Cited Allegations That Service Quality and Availability Declined in States That Removed COLR Obligations.

The staff cites Joint Commenters’ Initial Proposal for claims that service quality and availability declined in states that removed COLR obligations, including in Florida, Illinois, and Nevada.²⁵⁹ At most, Joint Commenters demonstrated that one event followed another—not that one event caused or even was related to another.

Indeed, Joint Commenters did not show that POTS service quality and availability of voice service in these states declined after that state removed COLR obligations. For Florida, Joint Commenters discussed the asserted difficulty that *wireless and cable service providers* (not POTS providers) had in restoring service after Hurricane Michael,²⁶⁰ which the National Weather Service described “as an unprecedented Category 5 Hurricane.”²⁶¹ For Illinois, Joint Commenters simply pointed to AT&T Illinois’s relinquishment of its eligible telecommunications carrier (“ETC”) designation pursuant to Section 214(e)(4) of the federal Communications Act,²⁶² which made it ineligible to receive federal Lifeline service support.²⁶³ AT&T Illinois, in fact, was still the COLR when it relinquished its ETC designation.²⁶⁴

Than 80 Arrested in Copper Wire Theft Crackdown, L.A. Times (July 30, 2024), <https://www.latimes.com/california/story/2024-07-30/copper-wire-arrests>.

²⁵⁹ Staff Report at 18.

²⁶⁰ See Initial Proposal of The Util. Reform Network, The Commc’ns Workers of Am., Dist. 9, & The Ctr. for Accessible Tech. Regarding the Ord. Instituting Rulemaking To Consider Changes to the Comm’n’s Carrier of Last Resort Rules 23 (filed Sept. 30, 2024) (“Joint Commenters Initial Proposal”).

²⁶¹ *Catastrophic Hurricane Michael Strikes Florida Panhandle October 10, 2018*, Nat’l Weather Serv., <https://www.weather.gov/tae/hurricanemichael2018> (last visited Jan. 23, 2026).

²⁶² 47 U.S.C. § 214(e)(4).

²⁶³ See Joint Commenters Initial Proposal at 24.

²⁶⁴ See *Ill. Bell Tel. Co. d/b/a AT&T Ill. d/b/a AT&T Wholesale Petition for Ord. Confirming Relinquishment of Eligible Telecomms. Carrier Designation in Specified Areas*, Order, 2018 Ill. PUC LEXIS 1345, at *10–12 (Aug. 15, 2018).

Joint Commenters’ “evidence” for the decline in service quality in Nevada was a single unsworn statement from a speaker at a public participation hearing from 2024.²⁶⁵ The speaker, an AT&T Nevada technician, provided his opinion on the condition of the lines (presumably copper, not fiber) in Austin, Nevada.²⁶⁶ At the time the speaker made his statement, AT&T Nevada had relinquished its POLR obligation only in those portions of Austin (a) without customers or residential or commercial structures or (b) outside of AT&T Nevada’s exchange boundaries.²⁶⁷ In any event, the Public Utilities Commission of Nevada approved applications filed in 2024 and 2025 to remove AT&T Nevada’s POLR designation in the rest of the state, including Austin—proceedings in which “no comments, protests, or Notices of Intent to Intervene were filed.”²⁶⁸ This Commission does not need to inquire further.

²⁶⁵ See Joint Commenters Initial Proposal at 24.

²⁶⁶ See Reporter’s Transcript, *Public Participation Hearing - Application of AT&T Cal. To Withdraw Its Eligible Telecomms. Carrier Designation (A.23-03-002) & Application of AT&T Cal. for Relief from Its Carrier of Last Resort Obligation (A.23-03-003)*, February 22, 2024, Ukiah, CA at 168:5–18.

²⁶⁷ See *Application of Nev. Bell Tel. Co. d/b/a AT&T Nev. & AT&T Wholesale To Amend Its Provider of Last Resort Serv. Area Pursuant to NRS 704.330(9)(b)*, 2023 Nev. PUC LEXIS 147, at *2–4, *6–10 (Dec. 18, 2023) (approving POLR relinquishment in areas outside of AT&T Nevada exchange areas (including those in Lander County, where Austin is located) in which there were no structures, living units, or network facilities); *Application of Nev. Bell Tel. Co. d/b/a AT&T Nev. & AT&T Wholesale To Amend Its Provider of Last Resort Serv. Area Pursuant to NRS 704.330(9)(b)*, 2021 Nev. PUC LEXIS 204, at *3–5, *7–12 (Feb. 23, 2021) (approving POLR relinquishment in areas outside of AT&T Nevada exchange areas (including those in Lander County, where Austin is located) in which there were no existing customers, living units, or network facilities). It was not until November 2024 that AT&T Nevada was granted POLR relinquishment in portions of Austin with customers or facilities, months after the speaker’s statement in the public participation hearing. See *Application of Nev. Bell Tel. Co. d/b/a AT&T Nev. & AT&T Wholesale for Relief from Designation as a Provider of Last Resort in Portions of Lander & White Pine Cntys., Nev. Pursuant to NRS 704.68886*, 2024 Nev. PUC LEXIS 165, at *5–6 (Nov. 13, 2024) (“2024 Nevada POLR Order”) (approving POLR relinquishment in designated areas of Lander and White Pine Counties, including portions of Austin, Nevada); *id.*, AT&T Nev.’s Application for a Change in Its Provider of Last Resort Serv. Area exhs. 1–5 (filed Aug. 1, 2024) (maps depicting areas where POLR relinquishment was sought, including portions of Austin, Nevada).

²⁶⁸ See *Application of Nev. Bell Tel. Co., LLC d/b/a AT&T Nev. & AT&T Wholesale for Relief from Designation as a Provider of Last Resort in Lander, Mineral, Nye, Pershing, Washoe, & White Pine Cntys., Nev. Pursuant to NRS 704.68886*, 2025 Nev. PUC LEXIS 99 attach. A (Stipulation) (Dec. 10, 2025); *id.*, AT&T Nev.’s Application for a Change in Its Provider of Last Resort Serv. Area exhs. 1–5 (filed Sept. 5, 2025); *2024 Nevada POLR Order*, 2024 Nev. PUC LEXIS 165, at *5–6.

E. Evidence Does Not Support the Assertions That Low-Income Communities and Californians Who Rely on Accessibility Services Have Less Choice.

The staff asserts, without evidence, that Californians in low-income communities have less choice because “communications service providers on their own determine that [they are] less profitable to serve” and that those who rely on accessibility services, such as California Relay Service, also have less choice.²⁶⁹ These claims are untrue—at least with respect to AT&T California.

As AT&T California has previously explained, “AT&T has been deploying fiber to higher- and low-income households in similar proportions, and AT&T has deployed fiber to Census-designated White and non-White households in similar proportions.”²⁷⁰ “[T]hese proportional deployments have been consistent over time.”²⁷¹ AT&T California actively targets lower-income customers with programs like Access from AT&T, which provides low-cost internet service for eligible households for “\$30/mo. on speeds up to 100Mbps.”²⁷²

Further, as already explained, Section 255 of the federal Communications Act requires each “provider of telecommunications service [to] ensure that the service is accessible to and usable by individuals with disabilities, if readily achievable.”²⁷³ Pursuant to Section 255, the FCC requires voice service providers, including mobile wireless and VoIP providers, to provide relay service.²⁷⁴ While AT&T California does not discount the challenges facing members of the

²⁶⁹ Staff Report at 6.

²⁷⁰ Opening Comments of AT&T Cal. (U 1001 C) on the First Amended Scoping Memo & Ruling 11 (filed July 2, 2021), in *Ord. Instituting Rulemaking Regarding Broadband Infrastructure Deployment & To Support Serv. Providers in the State of Cal.*, R.20-09-001.

²⁷¹ *Id.*

²⁷² *Access from AT&T*, AT&T, <https://www.att.com/internet/access/> (last visited Jan. 23, 2026).

²⁷³ See *supra* note 148.

²⁷⁴ See 47 C.F.R. §§ 6.1–6.16, 7.1–7.16, 64.601(b); *supra* pages 38–39, 60.

disability community, the staff is wrong to suggest that COLRs are more capable of providing, or have a greater obligation to provide, accessible services.

Accordingly, substantial evidence does not support the staff’s assertion that low-income or disability communities “especially” “have either limited or no choice in providers for reliable, modern, essential communications services.”²⁷⁵ The Commission thus would err if it echoes that assertion.²⁷⁶

VII. CONCLUSION

For the foregoing reasons, AT&T California respectfully requests that the Commission publish rules reflecting the modifications proposed in these opening comments for further comment by the parties.

Dated: January 30, 2026

Respectfully submitted,

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²⁷⁵ Staff Report at 6.

²⁷⁶ See Cal. Pub. Util. Code § 1757(a)(4).