BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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Order Instituting Rulemaking Proceeding To Consider Changes to the Commission's Carrier of Last Resort Rules.	R.24-06-012 (Filed June 20, 2024)

NOTICE OF *EX PARTE* COMMUNICATION OF PACIFIC BELL TELEPHONE COMPANY D/B/A AT&T CALIFORNIA (U 1001 C)

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March 13, 2026

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Pursuant to Rules 8.2 and 8.4 of the Commission's Rules of Practice and Procedure, Pacific Bell Telephone Company d/b/a AT&T California (U 1001 C) ("AT&T California") hereby gives notice of an *ex parte* meeting in the above-captioned proceeding to discuss the Administrative Law Judge's Ruling Issuing Staff Proposal for Comment, and the Carrier of Last Resort and Network Modernization Staff Report attached to this ruling ("Staff Proposal"), issued on December 15, 2025. The meeting was held via Webex on March 10, 2026 from approximately 1:00 p.m. to 1:30 p.m.

In attendance for the Commission was Benjamin Menzies, Advisor to Commissioner Darcie Houck. In attendance for AT&T California were Nelsonya Causby, Assistant Vice President – Senior Legal Counsel, AT&T; Karl Wardin, Assistant Vice President – Regulatory, AT&T; Adam Grzybicki, Senior Vice President – State Legislative and Regulatory Relations, AT&T; and Meredith Osborn of Arnold & Porter Kaye Scholer LLP, attorney for AT&T California.

During the meeting, AT&T California first discussed its Joint Proposal with the California Public Advocates Office ("Cal Advocates"), which AT&T California submitted with

its reply comments to the Staff Proposal. AT&T California explained that it worked with Cal Advocates to develop a joint proposal that would advance the Commission's goals of network modernization and COLR reform and Governor Newsom's goal of expanding broadband access to all Californians. As AT&T California noted, the Joint Proposal benefits consumers by accelerating fiber deployment while ensuring no Californians are left behind without voice service. Further, AT&T California explained the Joint Proposal would be a voluntary path to COLR relinquishment that complements the pathways outlined in the Staff Proposal.

AT&T California then explained that a COLR could relinquish its COLR status and discontinue basic service if it voluntarily committed to deploying fiber to 20 percent of the total number of serviceable locations in a particular "Relief Area." A COLR making this commitment would file a Tier 2 advice letter in order to relinquish its COLR status. AT&T California discussed that, under the Joint Proposal, a relinquishing COLR would also commit to (1) complete fiber deployment in the Relief Area within ten years of approval of the advice letter; (2) offer voice or broadband service, using any available technology, throughout the Relief Area; and (3) submit quarterly reports to the Commission until the completion of its deployment in the Relief Area. AT&T California also explained that the Joint Proposal would keep LifeLine affordability protections in place for newly served fiber locations and prioritize fiber deployment in low-income and disadvantaged communities.

Following its discussion of the Joint Proposal, AT&T California noted the Staff Proposal's failure to address areas without demand. AT&T California questioned the utility of maintaining COLR obligations in areas where no one is purchasing basic service. AT&T California proposed that the Commission permit a COLR to submit a Tier 2 advice letter to relinquish its obligations in any census block where the U.S. Census Bureau reports no

population **or** where the COLR does not provide any customer address with basic telephone service.

AT&T California next urged the Commission to make important changes to clarify the obligations of existing COLRs and the proposed process for COLR relinquishment. First, AT&T California explained that the Staff Proposal's definition of Modern Essential Service ("MES") could be interpreted as a mandate that COLRs offer broadband throughout their service territories within five years. AT&T California emphasized that a broadband mandate could jeopardize BEAD funding because the National Telecommunications and Information Administration recently issued guidance making clear that states cannot receive BEAD funding if they regulate broadband providers as common carriers. Further, AT&T California noted that a broadband mandate would risk tying up COLR reform in litigation for many years. AT&T California identified several legal issues with a Commission rule mandating a COLR to offer broadband, including jurisdiction, preemption, and constitutional issues.

Second, AT&T California outlined that the Staff's requirement that there be at least one wireline LifeLine provider in a relinquishing COLR's service territory would prevent meaningful COLR relinquishment. AT&T California explained that to date, there has been limited cable participation in LifeLine in AT&T California's service territory. Rather, wireless providers serve 95 percent of LifeLine customers in AT&T California's service territory. For this reason, AT&T California recommended the Commission require only one LifeLine provider, of any type, for COLR relinquishment based on the availability of alternative services. Alternatively, should the Commission retain the requirement that there be at least one wireline LifeLine provider for an area to qualify as having significant consumer choice, AT&T California recommended that a participant in the Home Broadband LifeLine Pilot program should satisfy this requirement.

Finally, AT&T California urged the Commission to eliminate the requirement that a COLR seeking to relinquish its obligations in its service territory must submit a formal application. Rather, AT&T California endorsed a Tier 2 advice letter process, which would streamline review, expedite disposition of requests, and reduce burdens on Commission resources. AT&T California also explained that arbitrary requirements on applications, such as the geographic contiguity requirement, restrictions based on population size, and excessive information sessions would make the COLR relinquishment process so lengthy and burdensome as to be practically unworkable. Finally, AT&T California emphasized that General Order 133 requirements should not be imposed on COLRs seeking relinquishment. AT&T California explained that adding additional enforcement mechanisms for COLRs alone would not be competitively neutral.

At the conclusion, AT&T California urged the Commission to adopt the Joint Proposal and make the changes to the Staff Proposal outlined in its comments.

Dated: March 13, 2026

Respectfully submitted,

/s/ Meredith Osborn

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