



California Public Utilities Commission
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PRESS RELEASE

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CPUC Proposes Rejecting AT&T's Request to Withdraw as Carrier of Last Resort; Initiates New Rulemaking Process

SAN FRANCISCO, May 10, 2024 – After hearing from consumers across the state and reviewing the evidence in the record, the California Public Utilities Commission (CPUC) today issued a proposal rejecting AT&T's request to withdraw as a carrier of last resort (COLR) and indicating that the CPUC intends to initiate a new Rulemaking process to address COLR telecommunications service obligations. The proposal will be on the CPUC's June 20 Voting Meeting agenda.

Understanding the Carrier of Last Resort Obligation

A COLR is a telecommunications service provider that stands ready to provide basic telephone service, commonly via landline, to any customer requesting such service within a specified area. At least one telephone company in a specified area is legally required to provide access to telephone service to anyone in its service territory who requests it. This is known as the COLR obligation, which ensures that everyone in California has access to safe, reliable, and affordable telephone service.

Key Highlights of the Proceeding

- CPUC rules require a COLR in all service areas to ensure universal access to telecommunications services.
- Currently, AT&T is the designated COLR in many parts of the state and is the largest COLR in California. Where AT&T is the default telephone service provider means that the company must provide traditional telephone service over copper, fiber, cable, Voice over Internet protocol (VoIP), or wireless to any potential customer in that service territory. AT&T is proposing to withdraw as the COLR without a new carrier being designated as a COLR.

- Public participation in this proceeding was extensive with over 5,000 public comments received into the record and eight Public Forums held in-person in three cities and virtually across the state, drawing more than 5,800 attendees.

CPUC is Committed to Safeguarding Access to Essential Services

The CPUC’s proposal underscores the critical importance of ensuring universal access to essential telecommunications services for all Californians. As the designated COLR, AT&T plays a pivotal role in providing reliable telephone service to communities across the state. Despite AT&T’s contention that providers of voice alternatives to landline service – such as VoIP or mobile wireless services – can fill the gap, the CPUC found AT&T did not meet the requirements for COLR withdrawal. Specifically, AT&T failed to demonstrate the availability of replacement providers willing and able to serve as COLR, nor did AT&T prove that alternative providers met the COLR definition.

Additionally, public commenters at CPUC Public Forums highlighted the unreliability of voice alternatives such as mobile wireless or VoIP. With the proposal to dismiss AT&T’s withdrawal request, the CPUC reaffirms its commitment to safeguarding access to essential services and maintaining regulatory oversight of the telecommunications industry.

The proposal also aims to preserve regulatory oversight and address potential service gaps. By signaling its intent to initiate a new Rulemaking process, the CPUC seeks to adapt its regulations to evolving market conditions and technological advancements while continuing to meet the needs of Californians.

Importantly, COLR rules are technology-neutral and do not distinguish between voice services offered (such as Plain Old Telephone Service (POTS), commonly known as landline service, or VoIP), and do not prevent AT&T from retiring copper facilities or from investing in fiber or other facilities/technologies to improve its network.

More Information

- Proposed Decision [[Here](#)]
- Proceeding Webpage with FAQ: [[Here](#)]
- Documents Related to the Proceeding [[Here](#)]
- List of areas where AT&T is requesting to withdraw as the designated COLR [[Here](#)]

- Online version of a map with address look-up [[Here](#)]

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About the California Public Utilities Commission

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians access to safe and reliable utility infrastructure and services. Visit www.cpuc.ca.gov for more information.