Item __ (Agenda ID# 23879)

State of California **Public Utilities Commission**
San Francisco

M E M O R A N D U M

Date: **November 24, 2025**

To: **The Commission**
(Meeting of December 4, 2025)

From: **Lindsay Brown, Public Utilities Counsel IV, Legal Division**

Subject: **Ratification of Off-Agenda Approval to File Reply Comments**

RECOMMENDATION: On October 30, 2025, the Litigation Subcommittee gave staff off-agenda authority to file the attached Reply Comments of On November 18, 2025, Staff filed Reply Comments concerning proposals in the Federal Communications Commission's ("FCC" or "Commission") Notices of Proposed Rulemaking ("NPRMs"), and Notices of Inquiry, each of which the FCC intends to serve Reducing Barriers to Network Improvements and Service Changes Accelerating Network Modernization, respectively.[1] Staff now recommends that the Commission ratify the authority granted by the Litigation Subcommittee.

BACKGROUND: On July 25, 2025, the FCC issued two NPRMs and Notices of Inquiry on Reducing Barriers to Network Improvements and Service Changes Accelerating Network Modernization.

Pursuant to FCC rules, Reply Comments were originally due on October 27, 2025; this filing deadline was extended by the federal government shutdown.[2] On October 30, 2025, the Litigation Subcommittee gave staff off-agenda authority to file the attached Reply Comments responding to USTelecom's Opening Comments. On November 18, 2025, Staff filed the Reply Comments. Staff now recommends that the Commission ratify the authority granted by the Litigation Subcommittee.

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[1] *In the Matter of Reducing Barriers to Network Improvements and Service Changes, Accelerating Network Modernization,* WC Docket Nos. 25-209, 25-208, FCC 25-37, (rel. July 25, 2025) ("*NPRM*").
[2] Title 47, Section 1.429 of the Code of Federal Regulations; Commission Public Notice, Additional Guidance Ahead of Resumption of Operations and Extension of Filing Deadlines, dated Nov. 13, 2025 (DA 25-937).

DISCUSSION: The attached reply comments of the California Public Utilities Commission (CPUC) address many of the issues raised in the September 29, 2025 comments of USTelecom – the Broadband Association (USTelecom).The CPUC's comments stated that the Comments of USTelecom should be given no weight as they are full of inaccuracies and factual and legal errors, and appear to be mere commentary and anecdotes with little to no supporting evidence.

CONCLUSION: Staff asks the Commission to ratify the Litigation Subcommittee's authorization to file the attached Petition.

ASSIGNED STAFF:
Legal Division, Lindsay Brown (415) 577-7077

ATTACHMENT

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of	
Reducing Barriers to Network Improvements and Service Changes	WC Docket No. 25-209
Accelerating Network Modernization	WC Docket No. 25-208

REPLY COMMENTS OF THE PEOPLE OF THE STATE OF CALIFORNIA AND THE CALIFORNIA PUBLIC UTILITIES COMMISSION

CHRISTINE HAMMOND
JONATHAN KOLTZ
LINDSAY BROWN

505 Van Ness Avenue
San Francisco, CA 94102
Telephone: (415) 703-1960
Email: lindsay.brown@cpuc.ca.gov

Attorneys for
The California Public Utilities Commission

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I. INTRODUCTION

The People of the State of California and the California Public Utilities Commission ("CPUC" or "California") submit these reply comments concerning proposals in the Federal Communications Commission's ("FCC" or "Commission") Notices of Proposed Rulemaking ("NPRMs"), and Notices of Inquiry, each of which the FCC intends to serve Reducing Barriers to Network Improvements and Service Changes Accelerating Network Modernization, respectively.[1] These reply comments address many of the issues raised in the comments of USTelecom – the Broadband Association ("USTelecom"). As discussed below, the Comments of USTelecom should be given no weight: they rest on both factual and legal errors and appear to be mere anecdotes with little or no supporting evidence. To the extent we are silent on an issue that USTelecom raised, that silence should not be construed as agreement or disagreement.

II. RESPONSE TO CERTAIN ISSUES RAISED IN THE COMMENTS OF USTELECOM

A. Summary

Throughout its comments, USTelecom makes several inaccurate claims regarding state requirements for carriers of last resort ("COLRs") and eligible telecommunications carriers ("ETCs"). Notably, USTelecom cites to scant authority to support its erroneous assertions, and where it does reference an authority, it misinterprets that authority. USTelecom's comments are filled with erroneous claims that the CPUC forces service

[1] *In the Matter of Reducing Barriers to Network Improvements and Service Changes*, *Accelerating Network Modernization,* WC Docket Nos. 25-209, 25-208, FCC 25-37 (rel. July 25, 2025) ("*NPRM*").

providers to keep and maintain antiquated technologies and services. For example, USTelecom makes the following assertions, without any citations:

> By refusing to remove COLR status or let a carrier relinquish its ETC status . . . states can effectively force providers to preserve costly, outdated copper network infrastructure and continue offering POTS, even where the Commission grants discontinuance of that service — thereby undermining Commission policy. . . . Applying these onerous regulations to those incumbent providers today — effectively forcing them to preserve costly, outdated copper network infrastructure and continue offering POTS service that fewer and fewer Americans want, even as the corresponding funding sources have dwindled — undermines those providers' investments in next-generation fiber and wireless networks and the communications services provided over them.[2]

US Telecom mischaracterizes both state COLR obligations and the state process for relinquishment of a provider's ETC status. Further, the solutions that USTelecom proposes are inconsistent with applicable law and will harm the Commission's goals for promoting modernization of the communications network and universal service, as discussed below.

B. California's COLR Rules Do Not Require Providers to Retain Copper Infrastructure or POTS

USTelecom's assertion that states, including California, are forcing providers to keep and maintain outdated copper network infrastructure and continue to offer POTS (plain old telephone service) is factually incorrect. California does not have any rules limiting providers from transitioning from copper network infrastructure to other technologies. Even though the CPUC has made it clear to service providers and industry groups in its decisions, rulings, public hearings and workshops, and ex parte meetings,

[2] USTelecom Comments at 27.

including those attended by USTelecom and members such as AT&T, that a carrier may use any technology it wishes to provide voice service and that carriers are not required to offer POTS,[3] USTelecom continually repeats this fallacy in its comments.

California does not require carriers to maintain copper facilities. In Decision (D.) 08-11-033, the CPUC deliberated whether it should adopt rules for the retirement of copper loops and related facilities that provide telecommunications services by incumbent local exchange carriers (ILECs) such as AT&T California. In that decision, the CPUC declined to adopt rules for the retirement of copper facilities.[4] Rather, the CPUC adopted notification requirements and rules regarding competitive local exchange carrier (CLEC) requests to purchase the copper facilities from the ILECs.[5] However, these streamlined requirements and rules do not include any limitations or restrictions to the ILECs' ability to retire copper facilities.

Nor do California's COLR rules somehow prevent USTelecom's members from retiring copper. Those rules, rather, ensure everyone can receive certain fundamental elements of telecommunications service, regardless of the underlying facilities. The definition of a COLR is "[a] local exchange service provider that stands ready to provide

[3] *See*, *e.g.*, CPUC Decision No. D.08-11-033 at 26, 41, 2008 Cal. PUC LEXIS 443; CPUC Decision No. D.12-12-038 at 2-3, 7-8, 12, 2012 Cal. PUC LEXIS 597; CPUC Decision No. D.24-06-024 at 23, 2024 Cal. PUC LEXIS 331; D.25-09-031 at 11-12, 2025 Cal. PUC LEXIS 455. Applicable California state law is also technology neutral. *See also, e.g.*, Cal. Pub. Util. Code § 216; Cal. Pub. Util. Code § 234; Cal. Pub. Util. Code § 233; Cal. Pub. Util. Code § 451; Cal. Pub. Util. Code § 701; Cal. Pub. Util. Code § 761; Cal. Pub. Util. Code § 762*;* Cal. Const., Art. XII, §§ 1-6.

[4] CPUC Decision No. D.08-11-033 at 1-2. https://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/93730.PDF; 2008 Cal. PUC LEXIS 443.

[5] *Id.*

basic service to any customer requesting such service within a specified area." Residential Basic Telephone Service, or "basic service," currently involves nine service elements that must be offered on a nondiscriminatory basis, including Lifeline rates for eligible customers, free access to 9-1-1, Telephone Relay Service, and directory and operator services.[6] And, crucially, any carrier may use any technology to satisfy its obligation to provide basic service.[7] If AT&T, or any other carrier, wants to use VoIP to satisfy its basic service obligation, it may do so. USTelecom's claims are simply false.

The CPUC also does not have rules preventing a carrier from investing in fiber or other facilities or technologies to improve its network, and this is shown by the carriers' behavior. For example, AT&T reported in Quarters 2-4 in 2023 that it invested over $150 million on fiber deployment projects in California.[8] If USTelecom's claims that the CPUC is preventing it from deploying updated infrastructure and requiring AT&T to retain copper facilities and POTS were accurate, this activity would not be permitted in California. Further, the CPUC defines a COLR as a local exchange carrier and the CPUC's COLR rules do not distinguish between the voice services offered, e.g., VoIP vs. POTS. In fact, the CPUC has made technology neutrality a cornerstone of its

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[6] *See* https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-mapping-program/broadband-public-feedback/basic-service-definition.

[7] *See*, *e.g.*, *Assigned Commissioner's Scoping Memo and Ruling*, R.24-06-012, at 4 (CPUC Feb. 4, 2024) ("Current COLR service requirements are technology neutral, meaning a COLR must offer basic service to any resident in its service territory that requests it, but may determine what technology to use to provide that service."), *available at* https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M555/K967/555967147.PDF.

[8] *See AT&T California's Revised Corrective Action Plan [Supplemental Advice Letter No.49420B of Pacific Bell Telephone Company d/b/a AT&T California (U-1001-C)]* at 9. (CPUC June 23, 2023). The actual amount is confidential.

communications regulatory policy and has consistently emphasized that it supports providers adopting advanced technologies in lieu of copper and other dated technologies.[9]

This fact is confirmed by another ILEC and COLR in California, Consolidated Communications (now Fidium), which wrote that:

> [T]here are neither legal nor current technological barriers to providing TDM-based voice service over a fiber connection. Moreover, Consolidated's existing tariffs and price guides would accommodate the provision of TDM voice service over fiber-to-the-premises ("FTTP") connections. However, at present, Consolidated has continued to offer traditional voice service over copper, which remains in place to facilitate this voice service. Consolidated reserves the right to change this practice going forward as customer preferences and operational requirements may dictate. Consolidated also reserves the right to use IP-based technology to meet any enduring basic service requirements, consistent with the competitive neutrality principles that have been noted in connection with COLR requirements in this proceeding.[10]

A representative for AT&T also stated that there is "nothing preventing" AT&T from offering a tariffed voice service relying on a fiber or wireless network, meaning AT&T also believes it could meet its COLR obligations without using POTS.[11] As such, even USTelecom's members seem to disagree with it.

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[9] *See, e.g.,* CPUC Decision No.24-06-024 at 23, 2024 Cal. PUC LEXIS 331; CPUC Decision No. 08-11-033 at 26, 41, 2008 Cal. PUC LEXIS 443; CPUC Decision No. 25-09-031 at 11-12, 2025 Cal. PUC LEXIS 455. *See also* CPUC Decision No. 12-12-038 at 2-3, 7-8, 12, & Appendix A, p. A-1, 2012 Cal. PUC LEXIS 597, regarding provision of basic service.

[10] *Opening Comments of Consolidated Communications of California Company, LLC, to Administrative Law Judge's Ruling Regarding Comment on Topics Discussed at April Workshops*, CPUC Rulemaking No. 24-06-012, at 2 (CPUC June 13, 2025).

[11] *Administrative Law Judge's Ruling Regarding Comments on Topics Discussed at April Workshops*, CPUC Rulemaking No. 24-06-012, at 3-4 (CPUC May 19, 2025).

And contrary to USTelecom's assertion that California has "refused efforts to revise COLR obligations,"[12] the CPUC is currently working to update those obligations to reflect the modern communications landscape. (Indeed, USTelecom must recognize this: it cites the CPUC's rulemaking in its comments.[13]) In March 2023, AT&T filed Application 23-03-003 at the CPUC, requesting to cease being a COLR in its entire service territory in California. California's COLR rules were adopted in 1996 and AT&T had not requested that California update its COLR rules before filing its application. Because AT&T's application did not meet the COLR relinquishment requirements, the CPUC had no choice but to deny the application.[14] As the CPUC stated in its decision:

> It is not clear why AT&T filed this Application, under existing rules, and then attempted to convince the Commission that it should ignore its rules, based on flawed and erroneous assertions regarding the law and regulatory policy that slowed down the adjudication of this proceeding. The scope of this Application is not modest, as AT&T claims. If AT&T had wished to make industry-wide changes to the Commission's COLR Rules, it could have filed a Petition for Rulemaking under Rule 6.3 of the Commission's Rules of Practice and Procedure.[15]

If AT&T had requested that the CPUC open a rulemaking to update its COLR rules, instead of filing an application that did not meet the requirements for COLR relinquishment, the CPUC could have addressed this issue in a timelier fashion. Notably, at the same business meeting where the CPUC approved the decision denying AT&T's

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[12] USTelecom Comments at 28.

[13] *Id.* at 28 fn.75.

[14] CPUC Decision No. 24-06-024, 2024 Cal. PUC LEXIS 331, Decision Denying with Prejudice the Application of AT&T California to Withdraw as a Carrier of Last Resort, Issued on June 25. https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M534/K542/534542934.PDF

[15] *Id.* at 21-22.

request to relinquish COLR obligations, it also opened Rulemaking 24-06-012 to update and modernize California's COLR rules.[16] AT&T and many other service providers that are members of USTelecom are active participants in the COLR Rulemaking, as is USTelecom.[17]

Contrary to USTelecom's claims that California is forcing service providers to retain copper facilities and continue to offer POTS, California has embraced new technologies. The CPUC fully supports both the facilities transition, from copper to fiber, and the services transition, from voice-only to internet-based services, to deliver essential services to all Californians. The CPUC seeks to ensure that everyone—competitive LECs, business and residential customers, emergency services providers, critical infrastructure utilities, and state commissions like the CPUC—is fully informed when an incumbent LEC seeks to change its facilities or services, so that they can adequately plan for the change and that they have a chance to voice any concerns they might have.

USTelecom details in its Comments problems associated with its claim that providers are forced to maintain copper facilities. These problems include the expense of maintenance and the rise of copper theft.[18] As already noted, California does not force, and has never forced, any provider to retain copper facilities. Should providers choose to retain copper infrastructure and decline to upgrade their networks to more modern

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[16] CPUC Rulemaking No. 24-06-012, Order Instituting Rulemaking Proceeding to Consider Changes to the Commission's Carrier of Last Resort Rules, issued June 28, 2024. https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M534/K685/534685783.PDF

[17] *See* Service List for CPUC Rulemaking No. 24-06-012, https://apps.cpuc.ca.gov/apex/f?p=401:57::::::

[18] USTelecom Comments at 17-18.

technologies, then California does have the expectation that California customers will receive adequate service quality over the copper facilities that the providers have elected to keep and chosen to not replace, consistent with state law.[19]

USTelecom further claims that state COLR rules are inconsistent with 47 U.S.C. Section 214. USTelecom specifically targets California, contending that:

> California has maintained COLR status on legacy incumbent telephone companies, which means that even in areas where the Commission authorizes carriers to discontinue POTS service, these states take the position that carriers must maintain a network capable of providing POTS service to all locations in those areas. When the Commission determines the criteria for Section 214 are met — or that forbearance is appropriate — there are already alternative providers available and there is no public interest justification for a state to continue to impose COLR obligations in that same area. Yet despite the explosive growth of wireless and IP-based competitors, and the dwindling or non-existent subsidy funding incumbent providers receive to offset service costs, some states continue to impose anachronistic COLR obligations, hobbling incumbent providers. State COLR obligations effectively force these carriers to continue providing service even in areas where Commission rules allow the carrier to discontinue the legacy service because there are competitors in the area providing alternative services. Some states, like California, have refused efforts to revise COLR obligations and instead insist that the legacy provider continue to serve that role, regardless of the other services available in the area. Indeed, California would only allow the incumbent legacy provider to cease being a COLR if some other carrier volunteered to take on the COLR obligations in its place. But, of course, no company would voluntarily assume such obligation, which would compel it to offer rate-regulated telephone service throughout its service territory while subsidies for doing so have dwindled to almost nothing. Therefore, it is functionally impossible to get out of the COLR obligation.[20]

[19] *See*, *e.g.*, Cal. Pub. Util. Code § 451 (requiring public utilities to provide safe and reliable service).

[20] USTelecom Comments at 28-29.

US Telecom's request that the Commission "confirm that inconsistent state COLR obligations are preempted when a carrier could otherwise discontinue service under federal law"[21] is misguided and unlawful.

Contrary to USTelecom's claims, state COLR obligations are not inconsistent with the requirements of Section 214. Even USTelecom recognizes that discontinuances should only be allowed where there are "competitors in the area providing alternative services."[22] This is what California's COLR rules require as well, which is a sensible position: we trust that USTelecom agrees that every Californian should have access to essential telecommunications services.

USTelecom also makes a curious argument regarding one of California's universal service funds, the California High Cost Fund-B. The High Cost Fund-B, also known as the B-Fund, provides subsidies to COLRs for providing basic local telephone service to residential customers in high-cost areas currently served by AT&T California and Frontier. The purpose of the subsidies is to keep basic telephone service affordable and to meet both federal and state universal service goals.

USTelecom argues that because ILECs received less money from the High Cost Fund-B in 2020-2021 than they did in 1996, COLR obligations are "hobbling" incumbent providers.[23] It thus contends that California's COLR rules conflict with Section 254's requirement that state universal service funding be "specific, predictable, and sufficient,"

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[21] *Id.* at 29.

[22] *Id.* at 28.

[23] *Id*.

claiming that "they impose costs on carriers without providing commensurate funding" and should be pre-empted on that basis as well. But, as with other claims in its Comments, USTelecom fails to provide any evidence to support this assertion. While it is true that California's B-Fund subsidy has declined over the past 30 years, it does not mean that carriers are receiving insufficient funding to provide basic service.

The CPUC last revised its High Cost Fund-B rules in 2014.[24] As we noted in that Decision, "[a]s a result of population changes in California since the 1990 census, many areas designated as high cost in 1996 no longer fit that category today," and raising the high-cost threshold to appropriately reflect the cost of service further "significantly reduced the number of access lines eligible for high-cost support . . . ."[25] In that proceeding, AT&T recognized that both the number of lines for which it could claim eligibility and its total support under the High Cost Fund-B were declining, and it "believe[d] these trends would continue."[26] Nevertheless, AT&T supported the CPUC's cost calculations in that Decision.[27] If AT&T or USTelecom believed that the High Cost Fund-B calculations had become outdated, they could have petitioned the CPUC to revise those calculations at any time in the past eleven years. They have not. The CPUC is, nevertheless, voluntarily revisiting those calculations now, further belying USTelecom's

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[24] CPUC Decision No.14-06-008 (CPUC June 18, 2014), *available at* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M096/K156/96156990.PDF, 2014 Cal. PUC LEXIS 264.

[25] *Id.* at 3.

[26] *Id.* at 8.

[27] *Id.*

claims.[28] USTelecom knows the CPUC is presently updating the B-Fund's costs calculations because USTelecom cites this rulemaking in their comments.[29]

Finally, the Tenth Amendment to the U.S. Constitution provides that "powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." The police power, including authority to protect health and safety of its citizens, is an area of traditional State control.[30] As the U.S. Supreme Court has stated:

> Throughout our history the several States have exercised their police powers to protect the health and safety of their citizens. Because these are "primarily, and historically, . . . matter[s] of local concern," *Hillsborough County v. Automated Medical Laboratories, Inc.*, 471 U.S. 707, 719, 85 L. Ed. 2d 714, 105 S. Ct. 2371 (1985), the "States traditionally have had great latitude under their police powers to legislate as to the protection of the lives, limbs, health, comfort, and quiet of all persons," *Metropolitan Life Ins. Co. v. Massachusetts*, 471 U.S. 724, 756, 85 L. Ed. 2d 728, 105 S. Ct. 2380 (1985).[31]

The California Constitution and California statutory law designate the CPUC as the principal body through which the State exercises its police power in the case of essential utility network services.[32] The CPUC has a duty to ensure that California customers receive safe and reliable utility service, including telecommunications services. That is the heart of the State's COLR rules. Absent some statement

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[28] *See* CPUC Rulemaking No. 24-06-012 at 5, 2024 Cal. PUC LEXIS 359 ("Should the [CPUC] revise the subsidy amount offered for participation in the California High Cost Fund-B? What is an appropriate subsidy amount and how should it be calculated?").

[29] USTelecom Comments at 28, fn. 75.

[30] *Raich v Gonzalez,* 500 F3d 850, 866-67 (9th Cir. 2006).

[31] *Medtronic v Lohr,* 518 U.S. 470, 475 (1996) (internal quotation marks omitted).

[32] *See, e.g.,* Cal. Pub. Util. Code §§ 451, 701, 2890-2896, 2898; Cal. Const., Art. XII, §§ 1-6.

"unmistakably clear in the language" of the Communications Act that Congress intended to permit the FCC to usurp California's police power here, the FCC should not arrogate to itself the authority to decide what is best for Californians.[33]

USTelecom's assertions concerning California's COLR regulations must be disregarded as false. California's COLR regulations simply do not have the effect of prohibiting carriers from deploying next-generation facilities and technologies. Nor do they prevent carriers from discontinuing service where genuine alternatives exist. And amid all of its assertions, USTelecom never actually shows otherwise. The Commission should not, at USTelecom's fact-free invitation, impair California's ability to protect its citizens.

C. ETC Relinquishment

USTelecom states, without evidence, that state commissions such as the CPUC are not permitting carriers to relinquish their ETC designation in violation of federal law and are subjecting carriers to lengthy processes to determine whether the state should permit the carrier to relinquish its ETC designation. USTelecom claims that:

> Section 214(e)(4) of the Act provides that a state commission "*shall* permit an [ETC] to relinquish its designation as such a carrier in any area served by more than one [ETC]." Yet even when Section 214's relinquishment requirements are otherwise satisfied, some states significantly delay approval of a carrier's request to relinquish its ETC status, which functionally turns "shall" into "may." For example, some ETC relinquishment proceedings have been ongoing for years. The statute directs that the ETC relinquishment process is meant to be a simple and straightforward one: the state need only determine whether another ETC serves the relevant area. But some states have turned this process into

[33] *Gregory v. Ashcroft*, 501 U.S. 452, 460 (1991) (quoting *Atascadero State Hosp. v. Scanion*, 473 U.S. 234, 242 (1985)).

> lengthy, multi-year-long proceedings that entail substantial data requests and public hearings.
>
> To ensure a consistent and efficient process, the Commission should establish a timeline for a state to approve applications to relinquish ETC status.[34]

US Telecom misconstrues what the Act states and what has been occurring at the state level.

As an initial matter, Section 214 makes it clear that, prior to approving an ETC relinquishment, states such as California must ensure that all customers served by the relinquishing carrier will continue to be served by another ETC. Specifically, 47 U.S.C. Section 214(e)(4) reads, in relevant part:

> A State commission…shall permit an eligible telecommunications carrier to relinquish its designation as such a carrier in any area served by more than one eligible telecommunications carrier… ***Prior to permitting a telecommunications carrier designated as an eligible telecommunications carrier to cease providing universal service in an area served by more than one eligible telecommunications carrier, the State commission (or the Commission in the case of a common carrier[35] designated under paragraph (6)) shall require the remaining eligible telecommunications carrier or carriers to ensure that all customers served by the relinquishing carrier will continue to be served***, and shall require sufficient notice to permit the purchase or construction of adequate facilities by any remaining eligible telecommunications carrier…[36]

The CPUC takes that obligation very seriously and reviews ETC relinquishment applications carefully to ensure the continuity of service. Despite that, the CPUC's is still

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[34] USTelecom Comments at 30-31.

[35] 47 U.S.C. Section 153 (11) defines the term "common carrier" or "carrier" as: "any person engaged as a common carrier for hire, in interstate or foreign communication by wire or radio or interstate or foreign radio transmission of energy, except where reference is made to common carriers not subject to this chapter; but a person engaged in radio broadcasting shall not, insofar as such person is so engaged, be deemed a common carrier."

[36] Emphasis added.

a speedy process: according to the CPUC's records, the average processing time for an application to relinquish an ETC designation is 130 days. USTelecom cites one case where such a request has taken longer, AT&T's request to relinquish its ETC designation throughout its entire service territory in California.[37] That proceeding is an outlier in large part because AT&T first filed an incomplete application, and then failed to support its request with record evidence.[38] As the assigned Administrative Law Judge preliminarily found:

> Most AT&T wire center regions do not meet the condition for withdrawal in 47 U.S.C. Section 214(e)(4) that "all customers" served by the relinquishing carrier will continue to be served by another ETC. . . . AT&T provided only a subset of its customers that must continue to be served if it relinquished its ETC designation, consisting of ten to twenty percent of all its customers. . . . AT&T did not offer credible information to support its claims that its proposed replacement ETCs are currently capable of serving all of AT&T's customers.[39]

Under Section 214, AT&T bears the responsibility to show there are alternative ETCs that can serve customers, and the CPUC bears a concomitant responsibility to ensure that this requirement is met before granting an ETC relinquishment request. AT&T has thus far failed to make that showing despite ample opportunity to do so.

And this is USTelecom's only example. If lengthy deliberations concerning requests for ETC withdrawal were truly a real and persistent problem, USTelecom would surely have provided the Commission with other proceedings where this was the case.

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[37] CPUC Application No. 23-03-002, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M502/K987/502987683.PDF

[38] See, e.g., Administrative Law Judge's Ruling Setting Status Conference and Requiring Additional Information in CPUC Application No. 23-03-002, *available at* *https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M514/K687/514687054.PDF*

[39] *Draft Decision Denying in Part AT&T's Application to Relinquish its ETC Designation*, CPUC Application No. 23-03-002, at 3. The full Commission has not yet voted on this Draft Decision, and the final result may differ.

USTelecom's failure to do so shows that this alleged problem is about a single application, presented insincerely to this Commission out of context, and is not a systemic issue.

USTelecom also requests that the Commission "adopt a 60-day shot clock from the 'advance notice' that Section 214(e)(4) requires, which is consistent with other shot clocks it has adopted. And it is consistent with the rest of Section 214(e)(4), which recognizes that, after a carrier's ETC status in a state has been relinquished, remaining ETCs will have a limited period of time (one year) to supplement their networks."[40] The CPUC does not necessarily oppose a reasonable shot clock so long as it is consistent with California state law, so long as the shot clock begins to run when the state commission deems the application complete, and so long as the state commission may pause the shot clock in certain extraordinary circumstances.

Further, USTelecom states that "to prevent state commissions from second-guessing whether an ETC is actually providing service to an area, the Commission should clarify that an ETC 'serves' an area for the purposes of Section 214(e)(4) if it has been designated as an ETC in that area."[41] It is not clear what USTelecom means by "serves an area." For USTelecom's proposal to be feasible, the Commission will first need to define what "serving an area" means and what constitutes the area: i.e., wire center, census block, etc.

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[40] USTelecom Comments at 31.

[41] *Id.*

Moreover, USTelecom's proposal to treat any geographic area as "served" if a carrier holds an ETC designation there would have the perverse consequence of slowing down the grant of ETC designations. Thus far, because the CPUC appreciates that the ETC designation process is meant to be streamlined, it has been flexible in approving ETC applications, approving many applications with broad service territories. In California, given the size of the state and service areas, and the varied and complex terrain, an ETC is not required to serve throughout its entire service territory because it often is not feasible. On many occasions, the CPUC has commented that a wireless ETC may not be able to serve all customers in the approved service territory.[42] So while an entity might appear on paper to be eligible to serve as an ETC in a particular wire center in California, that may not match its ability to actually serve customers in those wire centers.[43] If the Commission adopts USTelecom's proposal, therefore, then to ensure the continuity of service required by Section 214(e)(4), when a state commission received a request for ETC designation, such state commission will need to parse a carrier's

[42] *See*, *e.g.*, CPUC Resolution T-17473 at 11, 2016 Cal. PUC LEXIS 64 (conditionally approving the ETC application of Blue Jay Wireless, LLC); CPUC Resolution T-17437 at 15, 2014 Cal. PUC LEXIS 758 (conditionally approving the ETC application of TAG Mobile, LLC); CPUC Resolution T-17436 at 15, 2014 Cal. PUC LEXI 757 (conditionally approving the ETC application of Boomerang Wireless, LLC); CPUC Resolution T-17466 at 14, 2014 Cal. PUC LEXIS 624 (conditionally approving the ETC application of Global Connection, Inc. of America, d/b/a "Stand Up Wireless,"); and CPUC Resolution T-17448 at 17, 2014 Cal. PUC LEXIS 419 (conditionally approving the ETC application of Air Voice Wireless, LLC).

[43] This fact also is confirmed by the wireless industry. *See*, e.g., CPUC Decision No. 25-09-031 at 161-165, 2025 Cal. PUC LEXIS 455. The Commission declined to adopt a proposed requirement that wireless carriers provide customers address-level service maps because the industry said that was not reasonable or not technically possible at this time. *See also*, the network coverage map of AT&T Mobility, available at https://www.att.com/maps/wireless-coverage.html. At the bottom of the webpage, AT&T states: "This map displays approximate outdoor coverage. Actual coverage may vary. Coverage isn't guaranteed and is subject to change without notice." (last viewed on October 23, 2025).

proposed service area wire center by wire center to see if the entity actually has the ability to serve, and will need to review existing ETC designations to ensure that they are accurate.[44] To do otherwise would risk customers being left without ETC service, and it will take time. In speeding up one part of the process, USTelecom's proposal would slow every other part of the process.

Lastly, USTelecom contends that "state commissions should not distinguish between wireline and wireless ETCs, because nothing in Section 214 gives them the authority to do so, and the distinction is not relevant to the underlying purpose of an ETC designation."[45] California's ETC rules are consistent with Section 214 and are technology neutral. The fact that an ETC application may be denied does not constitute evidence that one technology is favored over another. Moreover, relying on wireless coverage maps to demonstrate that wireless provider actually serves a specific location is insufficient, as the wireless industry itself concedes.[46]

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[44] After questions arose about the accuracy of the submitted coverage maps, the Commission launched an investigation into the 4G LTE coverage data submitted by some providers and suspended the challenge process pending the investigation. See News Release, FCC, FCC Launches Investigation into Potential Violations of Mobility Fund Phase II Mapping Rules (Dec. 7, 2018), https://docs.fcc.gov/public/attachments/DOC-355447A1.pdf. Commission staff ultimately determined that the coverage maps submitted by certain carriers overstated actual coverage and did not reflect on-the-ground performance in many instances, and recommended that the Commission terminate the challenge process because the coverage maps were not "a sufficiently reliable or accurate basis upon which to complete the challenge process as it was designed." Rural Broadband Auctions Task Force, Mobility Fund Phase II Coverage Maps Investigation Staff Report at 2, para. 6 (2019) (Mobility Fund Phase II Coverage Maps Investigation Staff Report), https://docs.fcc.gov/public/attachments/DOC-361165A1.pdf.

[45] USTelecom Comments at 31-32.

[46] *See* CPUC Decision No. 25-09-031 at 149, 2025 Cal. PUC LEXIS 455: "Verizon states that 'the proposed requirement that coverage maps are capable of 'verifying coverage at exact address'… requires a level of certainty as to service availability at an address that is reasonable in the wireline context but unreasonable for wireless services. CTIA agrees, adding that it is not possible to guarantee an exact coverage level at a specific location at all times, since coverage at a given location will be affected at

III. CONCLUSION

The CPUC appreciates this opportunity to provide reply comments to the FCC on the *Reducing Barriers to Network Improvements and Service Changes and Accelerating Network Modernization* NPRM. US Telecom's challenges to California's COLR and ETC rules are meritless. We respectfully ask the Commission to reject them.

Respectfully submitted,

CHRISTINE HAMMOND
JONATHAN KOLTZ
LINDSAY BROWN

By: /s/ LINDSAY BROWN
Lindsay Brown
Attorney

505 Van Ness Avenue
San Francisco, CA 94102
Telephone: (415) 703-1960
Email: lindsay.brown@cpuc.ca.gov

Attorneys for
The California Public Utilities Commission

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various times by factors such as sunspots and solar wind activity, and changes in tree foliage, among others."