



County of San Mateo

Inter-Departmental Correspondence

Department: BOARD OF SUPERVISORS
DISTRICT 3
File #: 24-196

Board Meeting Date: 3/26/2024

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Supervisor Ray Mueller, District 3
Subject: Resolution opposing AT&T application to the California Public Utilities Commission regarding Carrier of Last Resort obligations

RECOMMENDATION:

Adopt a resolution opposing the application submitted by Pacific Bell Company d/b/a AT&T California (AT&T) to the California Public Utilities Commission (CPUC) to be relieved of its Carrier of Last Resort (COLR) obligation.

BACKGROUND:

In March 2023, AT&T submitted an application (Application No. A.23-03-003) to the CPUC requesting to be relieved from its COLR obligations and other associated obligations (Endnote 1).

Pursuant to its COLR obligations, AT&T must provide traditional copper landline telephone service, commonly referred to as Plain Old Telephone Service (POTS), to any customer that requests it within a specific geographic area (Endnote 2). As the designated COLR in many parts of California, including San Mateo County, AT&T must also provide other critical basic telephone services, such as free access to 9-1-1 and telephone relay service, to all customers in the service territories in which AT&T is the COLR. If AT&T's application is approved, AT&T would no longer be required to offer POTS and other critical services throughout San Mateo County.

During its regular meeting on February 27, 2024, this Board considered issuing a subpoena on behalf of this Board to AT&T to provide testimony and produce documents regarding emergency preparedness in the unincorporated areas of San Mateo County. This Board postponed its consideration of the subpoena after AT&T agreed to meet with County staff to provide information regarding the specific services and geographic areas that would be impacted if the CPUC approves AT&T's application.

During its regular meeting on March 12, 2024, this Board received testimony from a representative of AT&T regarding AT&T's application, and subsequently voted 5-0 to direct the County Attorney's Office to draft a resolution opposing AT&T's application. Pursuant to that direction, the County Attorney's

Office has worked with my office to prepare such a resolution.

DISCUSSION:

For many vulnerable residents living in rural and semi-rural areas of San Mateo County, the POTS provided by AT&T is the only reliable access to communications, particularly in emergency situations and during natural hazard events, such as storms, wildfires, and earthquakes.

AT&T's application to the CPUC does not adequately explain how alternative communications services will be identified and assessed if AT&T is no longer required to serve as COLR. Further, the application fails to explain how the reliability of such alternative services will be assessed and assured. If the CPUC grants AT&T's application, there is no legal requirement that any other carrier assume AT&T's COLR obligations.

Authorizing AT&T to relinquish its COLR obligations without a comprehensive plan in place to ensure consistently reliable telephone service would jeopardize the safety and well-being of consumers and residents throughout San Mateo County. The reliability of potential alternative communication services to AT&T copper landlines, such as broadband internet and cellular services, for residents in rural and semirural areas in San Mateo County is dependent on the reliability of the local power grid in natural hazard events. The power grid in rural and semirural San Mateo County has proven unreliable in natural hazard events, with outages in some areas extending greater than some seven days during outages over the last two years.

Further, the State has faced several recent severe weather events that have resulted in power outages and the disruption of utility services throughout the Bay Area, including storms in San Mateo County during February 2024 that left as many as 74,000 customers without power (Endnote 3).

The AT&T copper landline is powered at an origination source located at a distance from the rural and semirural service area, allowing the AT&T copper landline to remain operative during power outages, ensuring that basic telephone service remains generally unaffected, and providing consumers with a dependable form of communication (Endnote 4). In contrast, because the communication services available through a wireless cellular connection are dependent upon the backup power installed at cell sites, such services are far more likely to become inoperable during a power outage (Endnote 5). Moreover, there are some areas in rural and semi-rural San Mateo County that do not have any broadband internet or cellular service.

Vulnerable populations, including seniors, those living with chronic and serious healthcare needs, and those with access and functional needs, living in urban areas in San Mateo County depend on POTS for its reliability in power outages. If AT&T is allowed to terminate POTS services throughout San Mateo County, thousands of residents, including vulnerable populations such as seniors and those with access and functional needs, residing in areas with unreliable cell coverage could be put at risk.

FISCAL IMPACT:

None.

Endnotes:

1. See Application of Pacific Bell Telephone Company d/b/a AT&T California (U 1001 C) For Targeted Relief from Its Carrier of Last Resort Obligation and Certain Associated Tariff Obligations, Application (A.)23-03-003 (filed March 3, 2023).
2. CPUC Fact Sheet, Public Participation Hearing, AT&T's Applications for Targeted Relief from its Carrier of Last Resort Obligation and Relinquish its Eligible Telecommunications Carrier Designation (A.23-03-003 and A.23-03-002).
3. Ezra David Romero, Severe Bay Area Storm Brings Historic Winds, Regional Flooding and Power Outages, KQED (Feb. 24, 2024) (<https://www.kqed.org/science/1991290/severe-bay-area-storm-brings-historic-winds-regional->).
4. See Potential Impacts on Telephone Service During De-Energization, California Public Utilities Commission (<https://www.cpuc.ca.gov/consumer-support/psps/potential-impacts-on-telephone-service->).
5. Id.