

May 11, 2016

Assembly member Lorena S. Gonzalez
Chair, California State Assembly Committee on Appropriations
State Capitol, Room 2114 • Sacramento, CA 95814

Dear Assemblymember Gonzalez,

The Broadband Alliance of Mendocino County urges you to place **and hold** AB 2395 on suspense. The bill would deregulate the telephone industry, eliminate consumer protections, waste ratepayer money and threaten people in our community who are elderly, disabled, speak English as a second language, and anyone else who depends on home phone service to reach emergency services or the outside world.

AB 2395 would allow AT&T to inform the CPUC that it wants to withdraw service in most or all of its California territory, based on AT&T's claim that an "alternative" service exists. The CPUC would then be required to investigate, within only 120 days, whether an alternative service is available to all customers. If the investigation is not complete **within this time frame, the CPUC will be precluded from making a finding, and** AT&T would be allowed to withdraw its service.

AT&T is the largest telephone company in the state and serves millions of customers across a vast service territory. In Nevada, similar AT&T-supported legislation passed in 2013. This year in a single application, AT&T has told the Nevada Public Utilities Commission that it intends to withdraw from *all* of the areas it serves in the entire state, with the only "alternative" service being wireless, which is unreliable in large portions of rural and urban California. **The same could happen in California if AB 2395 is passed.**

Under AB 2395, AT&T could simultaneously announce that it wants to withdraw from all of the communities it serves in California, or a very large portion of its service territory, and the Commission would only have 120 days to verify that millions of customers do, in fact, have a viable alternative service. AB 2395 is silent on the verification process. However, common sense dictates that the process would require tremendous expertise and financial resources on the part of the Commission as it would undertake the task of verifying the presence of an **effective** alternative, including travel throughout the state to verify that the purported alternative can serve all customers. Were AT&T to follow the path it took in Nevada, it would be impossible to conduct a through review and complete the process within 120 days with current CPUC staff. If

the CPUC lacks the resources to fully investigate the presence of a true alternative service, customers would be irreparably harmed.

Even more alarming for California consumers, the **very limited** criteria for an alternative service do not include fundamental requirements of basic telephone service **that are currently mandated by law. AB 2395 does not:**

- 1) Include Carrier Of Last Resort obligations requiring alternative carriers to serve everyone in a community without pricing or location discrimination.
- 2) Protect limited-English speaking customers by requiring that customer service operators and materials be provided in the same languages as marketing materials.
- 3) Require alternate carriers to offer Lifeline discounts to low-income California households, 700,000 of whom currently choose landline phone service.
- 4) Provide reliable location-based 911 so that emergency personnel know immediately where to dispatch assistance.
- 5) Retain CPUC authority to require and enforce minimum standards for call quality, network reliability, customer service and consumer protections.

The passage of AB 2395 would end universal phone service as we know it, jeopardizing home phone service for 7 million California households and businesses who may be forced to switch to less reliable and more expensive cell phone, VOIP, or cable bundles whether they want to or not.

I ask you to hold AB 2395 in suspense and protect access to affordable basic telephone service for people in my community,

Sincerely,



Trish Steel
Chair, Executive Committee
Broadband Alliance of Mendocino County

cc: Assemblymember Anthony Rendon, Speaker of the Assembly
Members of the Assembly Appropriations Committee