

April 4, 2016

Assemblymember Mike Gatto
Chair of the Utilities and Commerce Committee
State Capitol
Sacramento, CA 95814

Dear Assemblymember Gatto,

On behalf of rural communities across California, I am asking you to Vote **No** on **AB 2395**.

AB 2395 highlights the many great benefits of “21st century next-generation Internet Protocol (IP) networks”. And we agree - these networks have the ability to *transform* an economy and community, and the benefits they offer are great. That is exactly why we are a grassroots group that *advocates* for these new technologies for our residents.

Unfortunately, investment in these new technologies in rural areas has *not been adequate* and has in fact, stagnated, because of lack of profitability for incumbent providers who are focusing their investments on the densely populated urban markets. As a result of these private sector decisions, rural residents have **not** been able to make this transition to new networks, even if they desperately want to, because the option is not available. Grassroots organizations such as the Alliance have sprung up in response to advocate for these new technologies in rural areas. That leaves many rural residents (including seniors, disabled, and or those living alone) with landlines for their communication, including 9-1-1. Landlines are compatible with medical emergency alarms used by many elderly and disabled residents (which many new technologies are not) and 911 dispatch centers automatically know the caller’s location when a call is placed. AB 2395 would take this only option away from residents (after notification and an extra 12 months), and leave them vulnerable. The passage of this bill would represent what fire chief Randy MacDonald would call a “public sector policy failure” that contributes to the erosion of our once excellent 911 system.¹

The core values of US communications policy have always been universal service, consumer protections, public safety, and competition. This bill abandons all four of these important core values, and sets us back in time. I understand that providers want to “move forward” and end requirements to maintain “legacy, outdated” networks, when the new technologies offer greater benefits and profits. However, these legacy networks have been built over decades using taxpayer money, and they have provided a solid foundation of reliability for our country. They must not be abandoned *until*

¹ page 1; <http://www.mendocinobroadband.org/wp-content/uploads/Network-Resiliency-Policy-Briefing.pdf>

adequate alternative infrastructure is in place for ALL Californians, and this will not be by 2020. For rural areas, it simply *does not exist*, it cannot magically appear, and this bill is too soon. IP transitions may be happening at an “extraordinary pace”, but be assured that this is VERY location specific, and does not include rural areas.

This bill would reduce reliability in an emergency. Many residents, including those in Mendocino County, are finding out through [first-hand experience](#) that the IP networks are subject to failures, some on a grand scale. And there is evidence such outages are increasing. The FCC has revealed that the number of outages on high-capacity fiber-optic lines in the US more than doubled, from 221 in 2010 to 487 in 2014. These new networks need to become more reliable before we take away the legacy systems. The copper landline network continues to function during a power outage, because the copper wires are able to carry electricity. This is a hallmark characteristic of the traditional phone system.

In a Telecommunications Network Resiliency Briefing for Congressional Staff in Washington DC in 2015, Communications Committee Chair for Mendocino County Fire Chief Officers Association Randy MacDonald offered three principles which should guide public policy at the state, federal and local level, one of which is especially important here: Public Safety.

“Make public safety the TOP Priority. There is no higher responsibility for public policy makers than to ensure the safety of the public. America has achieved a great thing in the past half-century: we built an emergency reporting system which is a model for the world. But now we are allowing our 9-1-1 system to erode, and rural America is being especially impacted. We must not retreat from the public safety progress we have made. We must not accept any compromise to the quality and reliability of our vital 9-1-1 system. Each of us needs this system to work when we have an emergency. In all considerations of telecommunications policy, put safety first, where it belongs. After all, in most cases, it is in the public’s own right of way that is being used by private, for-profit businesses to deploy American’s telecommunications networks.”

There are other issues with this bill as well. The text states that it is the “policy of the state to help all Californians transition”, but this policy has not been translated into successful action when it pertains to rural areas that are being left increasingly behind in the digital darkness. What is the state strategy to build our digital infrastructure? We have the state CASF fund (which has no funding left and renewal of it is being opposed by these same telecommunications providers), and it is not utilized by the incumbents to build out the infrastructure, and has barriers for smaller providers. Mendocino has no current applications into the program. And then there is the federal Connect America Fund, and although the large telecoms have accepted this money for the first time last year, we don't know any specifics plans yet for how or where this money will be used. We can be confident that they will use it to build out their wireless infrastructure, but that leads to another issue: cost. Economics is a factor in the growing digital divide, and I do not see the cost issue addressed in the bill. Mobile costs are significantly higher for

connectivity than for legacy systems, and those on fixed incomes (seniors) would be most impacted. The required alternative service should be required at no increase in cost from legacy service when the time comes. Again, this cost issue is not addressed.

The petition process for review is completely inadequate. There is no process for public input, and no details of a petition process are given. Few residents would be able to navigate the CPUC petition process in only 30 days, assuming that their notice even arrives on time. And if the CPUC is remiss in finishing their review of the petition within the allotted time, then the consumer is penalized. And frankly, this is a big concern. Currently, there are applications into the CPUC CASF grant program that have been waiting for 6 months and have not yet been assigned a reviewer.

The bill offers a contradiction within itself. It states that legacy services won't be discontinued without an alternative, but then wants to fund the "Universal Connectivity" program (no details of which are provided) in case there is no alternative provider. In essence, the taxpayers now are asked to pay a provider money, so that another big company doesn't have to keep providing a service that doesn't make them *enough* money, even though the taxpayers in the past helped build the original infrastructure in the first place.

And if no alternative company wants to accept the (taxpayer) money and provide service, then in 12 months the original provider can still withdraw services.

All this is backwards. Please FIRST focus your attention on building the infrastructure to ALL of the state, rural areas included, before considering any withdrawal of legacy services. Consider legislation that supports the state CASF program. Support a "Universal Connectivity" bill not connected to withdrawing legacy services. We would likely support that as well. California desperately needs this infrastructure built so that our rural areas can participate in the 21st century economy, for the benefit of ALL Californians.

In summary, elected officials have a responsibility to ensure that our emergency system stays AT LEAST as good as it is now, and it certainly should not get worse as new technologies are adopted. No public official would every take a public position to allow our 9-1-1 system to become degraded and leave citizens at risk, but that is exactly what will happen with this bill. Please don't be fooled the rhetoric of "environmental benefits" when this is really about putting profits ahead of public safety. When IP networks are truly built out, then there will be huge environmental benefits to be gained. But first, let's figure out a way to build out the networks.

On behalf of my community I am asking you to **Vote No on AB 2395**.

Sincerely,



Trish Steel
Executive Committee Chair
Broadband Alliance of Mendocino County