



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: RES 24-043

March 12, 2024

Introduced: 2/26/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Resolution

- a. Consider adopting a resolution in opposition of the applications 23-03-002 and 23-03-003 submitted by Pacific Bell Telephone Company dba AT&T requesting California Public Utilities Commission approval to relinquish the Eligible Telecommunications Carrier and Carrier of Last Resort designations; and
- b. Authorize the Chair to sign a letter on behalf of the County of Monterey opposing the applications to the California Public Utilities Commission.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Consider adopting a resolution in opposition of the applications 23-03-002 and 23-03-003 submitted by Pacific Bell Telephone Company dba AT&T requesting California Public Utilities Commission approval to relinquish the Eligible Telecommunications Carrier and Carrier of Last Resort designations; and
- b. Authorize the Chair to sign a letter on behalf of the County of Monterey opposing the applications to the California Public Utilities Commission.

SUMMARY:

Pacific Bell Telephone Company dba AT&T (AT&T) submitted applications to the California Public Utilities Commission (CPUC) requesting to be released from the designations as a Carrier of Last Resort (COLR) and Eligible Telecommunications Carrier (ETC). The approval of these applications by CPUC will be detrimental to our residents that do not have alternative telecommunications solutions or cannot afford alternative telecommunications solutions.

DISCUSSION:

CPUC is a regulator of privately owned public utilities within California and has the responsibility of ensuring that safe and reliable utility service is provided to our residents at reasonable rates, including our low-income or rural residents and households. AT&T has filed two applications with the CPUC. Application 23-03-002 aims to revoke its designation under 47 U.S.C. § 214 as an Eligible Telecommunications Carrier (ETC) which was initially approved by the CPUC in support of public interest. This designation allows AT&T to receive federal universal service funding for maintaining affordable voice service in its service area and deploying networks in rural and high-cost areas, as stated in the application. Additionally, the Lifeline Assistance Program reimburses AT&T to ensure eligible low-income residents receive telephone services at reduced rates.

Application 23-03-003 seeks to eliminate the Carrier of Last Resort (COLR) obligation, which could adversely affect residents of Monterey County, especially those who rely mainly on AT&T's basic phone service. The application does not currently include a targeted approach for transitioning to an appropriate COLR alternative. Rural residents have limited options for accessing quality and affordable telecommunications services tailored to their communities' unique needs.

The approval of the applications by the CPUC would contradict the agency's role in guaranteeing the availability of reliable telecommunications services at reasonable rates. While wireless and Voice over Internet Protocol (VoIP) may be available in some regions of the county, plain old telephone service (POTS) operates over traditional copper wires. POTS is powered independently of electrical power sources, which means it often remains operational during power outages. In addition, alternative solutions lack the regulatory requirements or protections for residents that a COLR is mandated to provide. POTS lines are known for their stability and dependability, therefore making it a trusted choice for emergency communication and essential services. In rural areas with low to no cellular coverage, landline service remains the only reliable method of telecommunications. During an emergency such as a natural disaster or power outage, customers and first responders need reliable access to 9-1-1 and 2-1-1 services. POTS is the most reliable communications tool in the safety net of resources when wireless services networks may be overloaded or directly impacted by outages. This was evident during the storms and power outages within the last year.

Furthermore, if an alternative telecommunications option were available, our residents may not be able afford the higher cost of other solutions. The county has approximately 438,713 residents, 12% of residents live below the federal poverty level, 38% of households in Monterey County and San Benito County are below the real cost measure (RCM). The RCM estimates the amount of income required to meet basic needs of residents while factoring in geographical difference in the cost of living throughout California. Without a provider designated as the COLR and ETC, universal access to reliable communication infrastructure and emergency services at affordable rates will not be available to all residents.

OTHER AGENCY INVOLVEMENT:

The Information Technology Department, Department of Social Services, Health Department, Department of Emergency Management support this recommended action.

FINANCING:

There is no fiscal impact as a result of this recommended action.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

Administration:

- Promote an organization that practices efficient and effective resource management and is

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recognized for responsiveness, strong customer orientation, accountability, and transparency.

Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

Infrastructure:


- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses, and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Sarah House, IT Manager, 759-6992

Approved by:

DocuSigned by:

Date: 3/1/2024 | 9:14 AM PST
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Eric A. Chatham, Chief Information Officer, 759-6920

Attachments:

- Pac Bell dba AT&T ETC Application 23.03.002
- Pac Bell dba AT&T COLR Application 23.03.003
- CPUC Data Resource Documents
- Proposed** Letter to CPUC
- Proposed** Resolution