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KATHLEEN KRAUSE
Clerk of the Board of Supervisors
Kern County Administrative Center
1115 Truxtun Avenue, 5th Floor
Bakersfield, CA 93301
Telephone (661) 868-3585
TTY Relay (800) 735-2929

June 12, 2024

The Honorable Steven Bradford
Chair, Senate Energy, Utilities, and Communications Committee
1021 O Street, Suite 3350
Sacramento, CA 95814

RE: AB 2797 (McKinnor), AT&T Relief of Carrier of Last Resort Obligations – OPPOSE

Dear Senator Bradford,

I am writing on behalf of the Kern County Board of Supervisors to express our strong opposition to AB 2797 (McKinnor) which would skirt the California Public Utilities Commission (CPUC) regulatory process and nullify a proposed decision to dismiss AT&T's application for relief from their Carrier of Last Resort (COLR) obligations, submitted in Application (A.) 23-03-003 on May 10, 2024.

Maintaining the COLR obligations is crucial for ensuring access to reliable and affordable telecommunications services. Withdrawal of AT&T landlines pose several concerns that will disproportionately affect senior citizens, low-income households, and residents in rural areas.

As a COLR, AT&T is required to provide "Plain Old Telephone Service" or (POTS) landline phone service upon request to all residential and business customers within its service territory. AT&T's Application requests COLR relief for over 99% of their service territory and also requests expedited approval for future COLR relief through a CPUC Tier 1 Advice Letter process.¹ If approved by the CPUC, AT&T could effectively cancel service to its POTS customers within six months, affecting over 580,000 customers.

COLR obligations play a pivotal role in safeguarding the rights and safety of consumers, particularly those in rural and underserved areas. By designating a carrier to serve as the last resort, it ensures that all residents have access to essential communication services, regardless of their geographic

¹ *Id.*, at p. 38.

location or economic status. Rural counties like Kern frequently face natural disasters such as earthquakes, fires, and flooding. In these times of emergencies, landlines become the most dependable form of communication. While wireless connection is unreliable and cell phones can run out of battery, copper landlines have stronger receptions during power outages. This is especially important in rural areas where other forms of connectivity may not be available. Allowing AT&T to be relieved of its obligations will disrupt day-to-day lives and may negatively impact residents' ability to receive emergency alerts or call 9-1-1. Furthermore, for some of the most vulnerable residents, especially those in more geographically remote and rural areas without cell phone reception, approval of AT&T's application would result in them paying more for telephone service, receiving lower quality service, being required to purchase phone service as part of an expensive "bundle", or receiving no phone service at all.

No other COLR serves AT&T's service territory. No potential COLR applied to replace AT&T. AT&T's application to the CPUC did not meet the requirements of the CPUC's COLR withdrawal rules, and the existing undisputed facts of this case made it clear that AT&T's application should be dismissed. As such, an Administrative Law Judge (ALJ) rejected AT&T's proposal to be relieved of its obligation to provide basic landline service and the matter is currently pending before the CPUC to accept or reject the ALJ's decision (hearing set for June 20).

AT&T has long been a major player in our state's telecommunications industry, and with that role comes a responsibility to serve the public interest. Skirting the CPUC process and granting relief from COLR obligations via the Legislature sets a bad precedent and could result in a significant decline in service quality and availability for residents who are already at a disadvantage due to their location. It is essential to uphold these obligations to ensure that all Californians, regardless of where they live, continue to have access to reliable and affordable telecommunication services.

For these reasons, the Kern County Board of Supervisors strongly opposes this legislation and respectfully requests that you vote **NO on AB 2797**.

Sincerely,



David Couch, Chairman
Kern County Board of Supervisors

cc: Honorable Members, Senate Energy, Utilities, and Communications Committee
Honorable Members, Kern Legislative Delegation
California State Association of Counties
Shaw Yoder Antwih Schmelzer & Lange