

# CPUC Fact Sheet

## Reliability Obligations of Communications Providers

### Introduction

Voice communication technologies and services have changed significantly in recent history, and legislation and regulation are evolving to meet the opportunities and challenges posed by these changes. This fact sheet is intended to provide a brief overview of the regulatory environment and efforts by the California Public Utilities Commission (CPUC) to ensure these technologies serve all Californians.

### Plain Old Telephone Service (POTS)

Traditional telephone service, provided by powered copper lines to a home or business, is the oldest and most regulated service. Because plain-old telephone service (POTS) providers were often monopolies, and POTS was an essential utility, reporting requirements and enforcement mechanisms were put in place to ensure that interruptions in service were minimized. Effective monopolies still exist in some rural areas and these entities, known as General Rate Case Incumbent Local Exchange Carriers (GRC ILECs) operate under rate-of-return regulations. Competition in urban areas between Incumbent Local Exchange Carriers (ILECs) and Competitive Local Exchange Carriers (CLEC) has obviated the need for rate-of-return regulation. Instead, these carriers are regulated under the Uniform Regulatory Framework adopted in CPUC Decision D.06-08-030. These carriers must report service quality measures for G.O 133-D. These measures include the quarterly submission of customer trouble, out of service, and answer time reports. GRC ILECs are also required to report on installation intervals and installation commitments.

### Wireless

Technologies for wireless voice service, such as cellular phones, were deployed in an environment where POTS was already firmly established. As such, wireless voice service was not treated as an essential utility service as households were assumed to already have landline POTS. Under current regulation, wireless voice service providers are required to submit to the CPUC a Wireless Identification Registration (WIR) pursuant to D.94-10-031 but they are not required to report service quality measures as per GO 133-D. The CPUC analyzes service outages that are reported by customers directly to the CPUC but, until recently, the CPUC's enforcement authority was limited to this reporting requirement.

### GENERAL ORDER 133-D (GO 133-D)

To establish transparent guidelines and "rules of the road" for regulated entities, the CPUC creates General Orders (GO). GO 133-D was adopted in August 18, 2016. It revised service quality rules, measures, and standards under GO 133-C.



The CPUC’s authority is still limited, but in response to widespread and prolonged power outages due to utility Public Safety Power Shutoff (PSPS) events and wildfire disasters, the CPUC began requiring wireless (and wireline) providers to submit resiliency plans and emergency operations plans.

**Wireline (VoIP)**

Similar to POTS, wireline voice services may also be provided over Voice over Internet Protocol (VoIP), which requires a physical line to the customer’s home or business. It is, however, a very different technology, and one that, until recently, the CPUC was statutorily prohibited from regulating.

This means that while POTS and VoIP services may look and perform identically in many situations, there are very different regulations and customer protections in place. VoIP service providers are subject to GO 133-D reporting requirements, but they are not subject to GO 133-D service quality standards. VoIP service requires electrical power at both the customer premise for the modem and telephone as well as at the provider’s facilities. This means VoIP places an additional burden on consumers with the added need to maintain a backup battery compatible with their VoIP equipment.

As with wireless providers, service outages prompted the CPUC to create wireline (including both POTS and VOIP providers) resiliency strategies and reporting requirements to ensure customers can communicate during emergencies and emergency operations plan to ensure providers’ preparedness for the emergencies.

**Resiliency Plans**

As wireless and VoIP technologies have become the standard means of voice communication, Californians are more likely to depend on them in emergency situations. In response to widespread outages of these services during utility Public Safety Power Shutoff events and wildfires, the CPUC unanimously approved two separate Decisions, D.21-02-029 and D.20-07-011. Together, these Decisions adopt six groups of resiliency strategies for all facilities-based wireline and wireless communications service providers. D. 21-02-029 addresses the responsibilities of facilities-based wireline communications service providers. In contrast, D.20-07-011 delineates the requirements for facilities-based wireless communications service providers. Each of these Decisions had different effective dates for the requirements and implementation dates. As an example, facilities-based wireline communications service providers had to prioritize the deployment of 72-hour backup power to specific types of facilities (see pages 2, 52-54, 65, 91, and 99 of D.21-02-029), such as critical facilities per CPUC Rulemaking R.18-12-005, facilities functioning as wireless backhaul, and facilities located in communities lacking sufficient wireless service coverage.

**Table 1: CPUC Requirements for Wireless and Wireline Backup Power**

	<b>CPUC Decision Number</b>	<b>Effective Date of Decision</b>	<b>Deadline to Implement 72 Hour Minimum Backup Power</b>	<b>Locations to Implement 72 Hour Backup</b>	<b>Exceptions to 72 Hour Backup Requirement</b>
<b>Wireline</b>	D.21-02-029	Feb. 11, 2021	8 or 18 months from effective date of Decision	Tier 2 and 3 High Fire-Threat Districts	Permissible
<b>Wireless</b>	D.20-07-011	July 16, 2020	12 months from effective date of Decision	Tier 2 and 3 High Fire-Threat Districts	Permissible

When the CPUC adopted these two Decisions, the CPUC recognized that there exist instances when these companies cannot implement the minimum backup power duration of 72 hours. These companies are required to inform the CPUC when a facility (or group of facilities) falls under these situations:

1. Does not need backup power;
2. Is unable to support backup power due to safety risks; or,
3. Is objectively impossible or infeasible to deploy a backup power.

Each of the four facilities-based wireless service providers asserted that they have implemented the minimum backup power duration of 72 hours for their facilities in California's Tier 2 and 3 High Fire Threat Districts. Each also submitted their resiliency plans by the deadline.

### **Potential Revisions to Telecommunication Service Quality Standards**

On March 17, 2022, the CPUC opened a proceeding (R.22-03-016) that will assess whether the existing GO 133-D service quality standards and measures meet the goals of the CPUC and remain relevant to the current regulatory environment and market, including consideration of service quality standards applicable to VoIP, wireless, and broadband voice communications services. Additionally, the CPUC will consider whether the existing enforcement framework in GO 133-D is adequate to improve substandard voice communications service.

Providing the basis for opening the proceeding is a staff network exam into AT&T California and Frontier Communications and a petition (P.21-10-003) from the CPUC's Public Advocates Office (Cal Advocates). The network exam found that service quality was in decline for both AT&T and Frontier and that the declines were falling disproportionately on lower-income households. It also found that both providers had failed to adapt their infrastructure to adverse weather conditions and that AT&T had sufficient financial resources to address service quality issues, but was not doing so. The network exam report recommended increasing financial penalties for not meeting GO 133-D service quality standards, rectifying the incentives that lead to providing worse quality for low-income households, and imposing uniform service quality standards on a wire center basis as opposed to a company-wide basis. A subsequent report found further disinvestment and the need to reevaluate the role the CPUC had over VoIP and broadband services as well as POTS.

The petition from Cal Advocates argued that communication services provided via broadband, wireless, and VoIP are now, along with POTS, essential services. Based on this, the petition asked the CPUC to amend and update GO 133-D to establish the minimum service quality standards that customers can expect. The CPUC accepted this petition, and in a new proceeding will assess whether GO 133-D ensures that telecommunications providers meet the goals of Pub. Util. Code Section 451, remains relevant in today's regulatory environment and market, and incorporates an effective penalty mechanism and enforcement framework.

In Phase 1 of the proceeding, the CPUC will consider whether any existing service quality metrics should be extended to wireline and VoIP services, or whether new service quality metrics or standards should be created for these services. Modifications to GO 133-D's enforcement framework and penalty mechanism will also be considered. In Phase 2 of the proceeding, service quality metrics and standards for broadband

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service will be considered. In the preliminary schedule, initial comments are expected within 46 days of the issuance of the Rulemaking. If you need assistance to become a party to the proceeding please contact the Public Advisor at (415) 703-2074 or (866) 849-8390 or email [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov). You can comment on the proceeding on the [Docket Card](#).