



# DRA

Division of Ratepayer Advocates  
California Public Utilities Commission

505 Van Ness Avenue  
San Francisco, California 94102  
Tel: 415-703-2381  
Fax: 415-703-2057

**JOSEPH P. COMO**  
Acting Director

<http://dra.ca.gov>

April 9, 2012

Honorable Alex Padilla  
Honorable Steven Bradford  
California State Legislature  
Sacramento, CA 95814

**RE: SB 1161 (Padilla, Bradford)—Oppose unless amended**

Dear Chairmen Padilla and Bradford:

DRA (Division of Ratepayer Advocates) is the independent consumer advocate within the California Public Utilities Commission (CPUC). DRA's statutory mandate is to obtain the lowest possible rate for utility service consistent with reliable and safe service levels. DRA also advocates for customer and environmental protections in connection with utility service.

DRA opposes unless amended your SB 1161, as amended on March 26, 2011, which would prohibit the CPUC from regulating Voice Over Internet Protocol (VOIP) and Internet Protocol (IP) enabled service providers except as specified.

In 2006 the CPUC decided that the largest dominant telephone companies no longer needed to have their operations and financial plans reviewed to provide telephone service. DRA strongly disagreed, but successfully advocated for improved service quality and customer protections. SB 1161 would have the unintended consequence of indirectly expanding that decision and reducing service quality and customer protections. DRA opposes this effort because it would likely preclude the CPUC from establishing strong customer protections for VOIP and IP service providers that would (i) maintain high quality and reliable services, (ii) prevent cramming and slamming, (iii) protect the most vulnerable customers such as low-income, limited English speakers and the elderly and (iv) ensure the States universal service goals are achieved.

Therefore, DRA suggests the following amendments:

1. Amend SB 1161 to strike all language related to *the CPUC shall not exercise regulatory jurisdiction or control over VOIP and IP service providers* and replace it with *the CPUC shall be required to open a proceeding to determine if the CPUC should exercise regulatory jurisdiction or control over VOIP and IP service providers.*

or

2. If the following language remains - *the CPUC shall not exercise regulatory jurisdiction or control over VOIP and IP service providers* – add the following exception:

- *The CPUC shall only exercise regulatory jurisdiction or control over VOIP and IP service providers as it pertains to ensuring high quality and reliable services with sufficient customer protections, and that the States goals of universal service are achieved.*

If you have any questions or would like to discuss this matter further, please call DRA's Legislative Director Matthew Marcus, at (916) 327- 3455 or me at (415) 703- 2381.

Respectfully,

Joseph P. Como, Acting Director  
Division of Ratepayer Advocates

By  
Matthew Marcus  
Legislative Director