



DRA

*Division of Ratepayer Advocates
California Public Utilities Commission*

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JOSEPH P. COMO
Acting Director

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June 27, 2013

Honorable Steven Bradford
California State Assembly
State Capitol, Room 5136
Sacramento, CA 95814

RE: AB 1407 (Bradford) – Oppose

Dear Assemblymember Bradford:

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

DRA respectfully opposes your AB 1407, as amended on June 10, 2013, which would make significant changes to the Moore Universal Telephone Service Act, as specified.

DRA recognizes your laudable efforts to help ensure the California LifeLine Program most effectively and efficiently meets the communications needs of low-income individuals. DRA supports your intent to help modernize the program to better assist low-income communities. These are important goals to ensure all Californians have access to available, affordable and reliable telephone service.

AB 1407, however, would also have the unintended consequence of creating some implementation issues that may adversely affect the eligible low-income customers we all seek to protect as noted below:

1. AB 1407 would diminish existing customer protections and standards by requiring the CPUC to use the FCC's definition of basic telephone service, which does not offer sufficient levels of service to meet low-income customer needs (e.g., wireless signal reliability and number of minutes).
2. AB 1407 would also limit the CPUC's ability to adjust the program in real-time to meet customer and program needs by setting specific amounts for a LifeLine intrastate surcharge cap (1.15 percent) and a fixed monthly discount (\$11.85).

It is also important to note that there is an ongoing LifeLine proceeding at the CPUC which is actively building a comprehensive record on this issue. DRA looks forward to working with you and the CPUC to ensure the LifeLine program is modernized so it operates most prudently consistent with public benefit.

If you have any questions or would like to discuss this matter further, please call DRA's Legislative Advisor Rebecca Lee, at (916) 327-1407 or me at (415) 703-2381.

Respectfully,

Joseph P. Como, Acting Director
Division of Ratepayer Advocates

By
Rebecca Lee
Legislative Advisor