## 

## Key findings addressed in this Chapter

- While we have attempted to compile the requested data on the relationships between ILEC service quality and communities' income level and racial makeup, we caution the Commission as to both the precision and usefulness of these results, and recommend that their use at this time be limited solely to considering the need for a more detailed and more granular investigation.
- The incidence of service outages for both AT\&T and Frontier appears to be somewhat lower in higher income areas, although the companies' responses to those service outages that do occur exhibit no similar income-related pattern.
- Average gross plant additions investment per access line are similar in all five quintiles for both AT\&T and Frontier, but wire centers serving higher income areas tend to have a lower rate of out-of-service incidents and greater broadband availability than their counterparts in lower income communities.
- For both AT\&T and Frontier, there is no indication that wire centers that serve relatively higher percentages of Black, Hispanic or Non-White populations exhibit more frequent incidents of service outages; moreover, as with our income analysis, there does not appear to be any observable pattern for either company associated with any of the service restoration metrics.


## ILEC SERVICE QUALITY AND COMMUNITY DEMOGRAPHICS

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## Introduction

There is considerable variation in service quality performance across each ILEC's wire centers. In our Phase 1 study, we undertook to preliminarily examine whether there was any observable relationship between a community's median household income and the treatment that its ILEC was providing customers with respect to service quality. That examination was limited to AT\&T California wire centers, and its results were discussed in Chapter 11 of our Phase 1 report, at pp. 518-522.

As addressed in Chapter 4A of our Phase 1 report (at pp. 206-210), we had observed that wire centers with the lowest rates of customer drop-off had experienced the poorest levels of service quality. At first glance, this outcome seems anomalous. All else equal, one would expect that areas with the poorest service quality overall would exhibit the higher rates of customer defection away from the ILEC and over to alternative providers, but in fact the result was precisely the opposite - communities experiencing the highest levels of service quality were also the ones with the highest rates of service disconnections. The likely explanation for this result was that customers in areas with the lowest rates of competitive loss were those where customers had access to the fewest competitive choices. Whether deliberate or coincidental, AT\&T appeared to be directing its attention to service quality and making investments in those areas most heavily impacted by competition, paying the least attention to areas where its customers were most captive. Since competitors were likely to focus upon markets at the higher end of the economic spectrum, we wanted to see whether areas with the lowest levels of household income were also those receiving the poorest service quality.

All of the service quality metrics we studied exhibited a degradation in service quality over the 2010-2017 study period. We classified wire center serving areas into one of five median household income quintiles, and found that:
(1) Out-of-service incidents per 100 access lines in service were lowest in the highest income areas, highest in the lowest income areas;
(2) Out-of-service durations were shortest in the highest income areas;
(3) Areas with the highest household incomes also had the highest percentage of outages cleared within 24 hours; and
(4) High income areas generally required the fewest days to clear $90 \%$ of out-of-service conditions.

The highest income areas had the lowest incidence of service outages; the shortest out-ofservice durations, the highest percentage of outages cleared within 24 hours, and had the fewest number of days required to clear $90 \%$ of the service outages that did occur.

We had found that wire centers that had been upgraded with fiber optic distribution facilities tended to exhibit superior service quality overall, and noted that average median annual household incomes were highest in areas that were being served by wire centers that had such upgrades. Although fiber deployment and the availability of broadband were not necessarily critical to the provision of high-quality legacy POTS services, their presence provided an indication that the ILEC had committed investment dollars to such locations, and these plant upgrades had also contributed to fewer POTS service outages overall.

For Phase 2, we have been tasked with extending this examination to include Frontier California as well as AT\&T California, and also to examine whether there was any evidence of service quality differences in communities with varying racial characteristics. As we discuss below, we have determined that the incidence of service outages for both AT\&T and Frontier appears to be somewhat lower in higher income areas, although the companies' responses to those service outages that do occur do not appears to have a similar relationship with median household income levels. For AT\&T, there is some indication that communities with proportionately higher black and Hispanic populations do experience higher incidences of service outages, but this pattern does not seem to be present for Frontier. For both ILECs, there is no discernable pattern that responses to those service outages that do occur is linked to racial demographics.


## Median household income, ILEC investment, and service quality

In order to categorize AT\&T and Frontier wire centers into income quintiles, we utilized population and household count data from the 2010 Decennial Census ${ }^{89}$ as well as Median Household Income ("MHI") data from the 2018 US Census Bureau American Community Survey ("ACS") database. ${ }^{90}$ The 2010 Census reports demographic data at the Census Block level (15-digit geographic identifier), the most granular geographic area available, while the ACS reports MHI at the Census Tract level (11-digit geographic identifier). To best approximate the average MHI of households located within each AT\&T or Frontier wire center footprint, we weight 2018 Census Tract level MHI by 2010 Census Block level household counts. There are roughly 500,000 Census Blocks in AT\&T California's operating areas. Since all of the service quality metrics were developed at the individual wire center level, we needed to associate each
89. 2010 Decennial Census, https://www.census.gov/data/developers/data-sets/decennial-census.html
90. 2018 American Community Survey, https://www.census.gov/programs-surveys/acs/data.html

Census Block with its serving wire center. This was accomplished for AT\&T California utilizing a mapping analysis that was prepared for us by the Communications Division's GIS staff. Frontier provided us with a similar mapping, except that this was done at a Census Tract level. ${ }^{91}$ Census Tracts are larger, and include many individual Census Blocks. There are approximately 2,600 Census Tracts in Frontier California operating areas. Because Frontier's data was at the Census Tract level, individual Census Block household data was aggregated to the corresponding Census Tracts in order to develop wire center level MHI statistics.

Each ILEC's wire centers were ranked by their respective MHIs, and were then classified into one of five quintile categories based upon the MHI for the wire center. The MHI brackets for each of the two ILECs are summarized in Table 11.1 below: Tables 11.3 and 11.6 provide the MHI for each AT\&T California and Frontier California wire center, respectively, sorted from lowest to highest MHI, each grouped into five quintiles.

\left.| Table 11.1 |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| WIRE CENTER SERVING AREA MEDIAN HOUSEHOLD INCOME CATEGORIES |  |  |  |  |$\right]$| Frontier California |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| AT\&T California |  |  |  | No. of Wire <br> Centers |
| Quintile |  |  |  |  |

## Investment

AT\&T California has advised us that, as of the end of 2017, 557 of its 615 wire centers had been upgraded with facilities supporting broadband services, ${ }^{92}$ and has further confirmed that no additional wire centers had received such upgrades after 2017. ${ }^{93}$ Frontier California has identified three categories of wire centers -- those with FiOS availability, those without FiOS but where some form of broadband Internet access service is available, and those where no broadband services are offered.

[^0]During 2018 and 2019, AT\&T California made Gross Plant Additions identified to individual wire centers totaling approximately $\$ 2$-billion. We have calculated the weighted (by POTS access lines in service as of December 31, 2018, the midpoint of the Phase 2 study period) average Median Household Income of the areas served by these wire centers in each of the specified quintiles, together with the average Gross Plant Addition investment per access line, average monthly out-of-service incidents per 100 access lines, and the percentage of wire centers equipped for broadband services, as summarized in Table 11.2 below. As the data indicate, although average gross plant additions per access line are similar in all five quintiles, wire centers serving higher income areas tend to have fewer out-of-service incidents and greater broadband availability than their counterparts in lower income communities.

| Table 11.2 <br> AT\&T CALIFORNIA <br> MEDIAN HOUSEHOLD INCOME AND 2018-19 GROSS PLANT ADDITIONS |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |
| Quintile | Households | Median Household Income | $\begin{aligned} & \text { Access } \\ & \text { Lines } \\ & \text { Jan } 2019 \end{aligned}$ | 2018-2019 Gross Plant Additions per Access Line | Out-of- <br> Service per 100 ALs per month | Pct Wire <br> Centers with <br> Broadband |
| 0\%-20\% | 1,142,727 | \$36,673 | 205,299 | \$1,099 | 2.29 | 83.6\% |
| 20\%-40\% | 1,654,443 | \$48,591 | 305,857 | \$1,131 | 1.77 | 84.3\% |
| 40\%-60\% | 2,611,078 | \$59,866 | 434,625 | \$1,018 | 1.59 | 95.0\% |
| 60\%_80\% | 2,610,669 | \$75,927 | 485,362 | \$900 | 1.36 | 97.5\% |
| 80\%-100\% | 2,565,025 | \$105,167 | 473,132 | \$1,268 | 0.96 | 98.3\% |
| Total <br> AT\&T-CA | 10,583,942 | \$70,540 | 1,904,275 | \$1,077 | 1.59 | 91.7\% |
| NOTE: Individual Census Blocks may include parts of more than one wire center and more than one ILEC serving area. The total number of households passed by AT\&T shown here may well exceed those actually present in AT\&T California's service area. However, for our purposes, the relevant calculation is the Median Household Income, which would apply for the entire Census Block irrespective of which ILEC serves a particular household. |  |  |  |  |  |  |

The incidence of service outages for both AT\&T and Frontier appears to be somewhat lower in higher income areas, although the companies' responses to those service outages that do occur have no similar income-related pattern.

Table 11.3 provides the total Gross Plant Addition investment and the per-access line Gross Plant Additions for each AT\&T California wire center, along with the median household income.

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FARMERSVILLE FARMERSVILLE
FIREBAUGH WILLITS
CAMP NELSON CAMP NELSON
BELL SHAFTER
WARNER SPRINGS WARNER SPRINGS
CHALLENGE ANGELUS SELANO
SPRINGVILLE
FRESNO FRESNO－CLINTON
SOUTH GATE $\qquad$ LOS MOLINOS
LSAN－PLYMOUTH BURREL
SHASTA LAKE GERBER
LSAN－MADISON 02 LSAN－MADISON 02
LSAN－UNION LSAN－UNION
LATON ELK CREEK YREKA
OROVILLE－EAST $\qquad$ CAMPTONVILLE ANDERSON CROWS LANDING
HAMILTON CITY $\qquad$ BAKERSFIELD－EMPIRE
PARADISE－MAIN SELMA WILLOWS
MONTAGUE COULTERVILLE
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A substantial focus of AT\&T and Frontier plant investment in recent years has been directed at upgrading its feeder and distribution outside plant to fiber optics aimed at upgrading the companies' ability to offer high-speed broadband Internet access and video services to customers. It appears that, to some extent, both companies have directed these upgrades toward higher income communities, as shown in Table 11.4.

| Table 11.4 |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| AT\&T CALIFORNIA AND FRONTIER CALIFORNIA WEIGHTED AVERAGE MEDIAN HOUSEHOLD INCOME IN WIRE CENTER SERVING AREAS WITH AND WITHOUT BROADBAND SERVICE UPGRADES BASED ON 2018 AMERICAN COMMUNITY SURVEY DATA |  |  |  |  |
| AT\&T California |  |  | Frontier California |  |
| Category | Wtd Avg MHI | No. of Wire Centers | Wtd Avg MHI | No. of Wire Centers |
| No broadband | \$ 50,322 | 50 | 51,385 | 35 |
| FTTP / FiOS |  |  |  | 66 |
| Other broadband | \$ 70,616 | 555 | 75,252 | 178 |
| NOTE: AT\&T California has deployed FTTP in certain areas, but we do not have the breakdown of such deployment at the individual wire center level. Hence, for AT\&T, "Other broadband" should be interpreted as "All broadband," including both FTTN and FTTP locations. |  |  |  |  |

During 2018 and 2019, Frontier California made Gross Plant Additions identified to individual wire centers totaling approximately $\$ 562$-million. As we did for AT\&T California, we calculated the similar weighted average Median Household Income of the areas served by these wire centers in each of the five quintile groups, together with the average Gross Plant Addition investment per access line, as summarized in Table 11.5 below. The results are similar to what we found for AT\&T. Average gross plant additions per access line were actually higher in the lower income quintiles. However, as with AT\&T, Frontier wire centers serving higher income areas tended to have fewer out-of-service incidents and greater broadband availability than their counterparts in lower income communities.

> Average gross plant additions investment per access line are similar in all five quintiles for both AT\&T and Frontier, but wire centers serving higher income areas tend to have a lower rate of out-of-service incidents and greater broadband availability than their counterparts in lower income communities.

Table 11.5

## FRONTIER CALIFORNIA

MEDIAN HOUSEHOLD INCOME AND 2018-19 GROSS PLANT ADDITIONS

| Quintile | Households | Median Household Income | Access Lines Jan 2019 | 2018-2019 Gross Plant Additions per Access Line | Out-ofService per 100 ALs per month | Pct Wire Centers with Broadband |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 0\%-20\% | 294,942 | 40,438 | 71,907 | \$ 1,249 | 1.85 | 51.2\% |
| 20\%-40\% | 759,127 | 53,421 | 136,170 | \$ 2,261 | 1.21 | 84.1\% |
| 40\%-60\% | 734,943 | 65,579 | 109,751 | \$ 694 | 1.24 | 88.1\% |
| 60\%_80\% | 989,671 | 77,088 | 260,326 | \$ 599 | 0.93 | 95.1\% |
| 80\%-100\% | 1,284,373 | 97,266 | 319,981 | \$ 1,170 | 0.61 | 100.0\% |
| Total <br> Frontier-CA | 4,063,056 | 74,302 | 898,135 | 5,973 | 1.17 | 83.6\% |

NOTE: Individual Census Tracts may include parts of more than one wire center and more than one ILEC serving area. The total number of households passed by Frontier shown here may thus exceed those actually present in Frontier California's service area. However, for our purposes, the relevant calculation is the Median Household Income, which would apply for the entire Census Tract irrespective of which ILEC serves a particular household.

Table 11.6 provides the total Gross Plant Addition investment and the per-access line Gross Plant Additions for each AT\&T California wire center, along with the median household income.




| Table 11.6 |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| FRONTIER CALIFORNIA <br> WIRE CENTER REPORTING UNIT SERVING AREA MEDIAN HOUSEHOLD INCOME BASED ON 2018 AMERICAN COMMUNITY SURVEY DATA |  |  |  |  |  |  |  |  |  |  |  |
| QUINTILE 3: MEDIAN HOUSEHOLD INCOME \$59,400-\$72,000 |  |  |  |  |  |  |  |  |  |  |  |
| Reporting Unit CLLIs | Reporting Unit Name | County | Population | Households | No. of Census Tracts | $\begin{aligned} & \text { Median } \\ & \text { Household } \\ & \text { Income } \end{aligned}$ | Access Lines as of Jan 2019 | Gross Plant Additions 2018-2019 | Avg Gross Plant Addition per Access Line | OOS per 100 ALs per month | Broad-band Offered |
| BGPICAXF | BIG PINE | INYO | 7,043 | 3,033 | 3 | 59,572 | 163 | 280,007 | 1,718 | 0.80 | YES |
| RNBGCAXF | RANDSBURG | KERN | 11,427 | 3,650 | ${ }^{2}$ | 60,153 | 42 | 211,524 | 5,036 | 0.69 | YES |
| YERMCAXF | YERMO | SAN BERNARDINO | 19,967 | 7,524 | 4 | 60,365 | 247 | 513,081 | 2,077 | 1.85 | YES |
| TAFTCAXF/FLWSCAXF/MRCPCA) | FELLOWS | KERN | 64,720 | 18,725 | 15 | 60,914 | 1,068 | 600,967 | 563 | 0.82 | NO |
| BSHPCAXG | BISHOP | INYO | 16,063 | 6,858 | 5 | 61,621 | 1,804 | 939,399 | 521 | 0.63 | YES |
| JNLKCAXF | JUNE LAKE | MONO | 5,965 | 2,538 | 2 | 61,781 | 275 | 321,230 | 1,168 | 0.44 | YES |
| POMNCAXF | POMONA | LOS ANGELES | 139,848 | 35,938 | 28 | 62,056 | 5,570 | 3,009,499 | 540 | 0.53 | YES |
| PNYNCAXF | PINYON PINES | RIVERSIDE | 16,423 | 7,215 | 5 | 62,135 | 138 | 134,336 | 973 | 1.99 | YES |
| ONTRCAXF | ONTARIO | SAN BERNARDINO | 140,375 | 37,997 | 28 | 63,421 | 12,483 | 8,921,361 | 715 | 0.36 | YES |
| CHLKCAXF | CHINA LAKE | KERN | 14,513 | 5,840 | 3 | 63,473 | 10 | 171,121 | 17,112 | \#N/A | YES |
| PERSCAXF | PERRIS | RIVERSIDE | 170,650 | 44,750 | 26 | 63,910 | 2,834 | 3,791,804 | 1,338 | 0.81 | YES |
| LNCSCAXF/EDMTCAXF/SNYMCA) | EDGEMONT | RIVERSIDE | 382,968 | 110,800 | 82 | 64,063 | 7,632 | 8,298,291 | 1,087 | 0.34 | YES |
| PLDSCAXF/THPLCAXF | PALM DESERT | RIVERSIDE | 65,635 | 30,669 | 21 | 64,337 | 11,235 | 2,150,963 | 191 | 0.99 | YES |
| WEMRCAXF | WEIMAR | PLACER | 9,541 | 3,861 | ${ }^{2}$ | 64,344 | 360 | 257,275 | 715 | 1.10 | NO |
| PCRVCAXF | PICO RIVERA | LOS ANGELES | 55,487 | 14,776 | 10 | 64,406 | 7,276 | 1,727,179 | 237 | 0.79 | YES |
| CRLKCAXF | CROWLEY LAKE | MONO | 11,700 | 4,729 |  | 64,599 | 226 | 232,392 | 1,028 | 0.54 | YES |
| MMLKCAXF | MAMMOTH LAKES | MONO | 11,700 | 4,729 | ${ }^{2}$ | 64,599 | 1,893 | 289,274 | 153 | 0.47 | YES |
| SNFNCAXG | SAN FERNANDO | LOS ANGELES | 65,577 | 16,052 | 15 | 65,044 | 3,294 | 2,019,712 | 613 | 0.63 | YES |
| SERNCAXG | SEA RANCH | SONOMA | 4,120 | 1,973 | ${ }^{2}$ | 65,088 | 555 | 454,904 | 820 | 1.14 | YES |
| TMCVCAXH | TIMBER COVE | SONOMA | 4,120 | 1,973 | ${ }^{2}$ | 65,088 | 412 | 192,403 | 467 | 1.38 | YES |
| PACMCAXF | PACOIMA | LOS ANGELES | 131,034 | 30,181 | 35 | 65,343 | 3,583 | 2,077,214 | 580 | 0.57 | YES |
| DWNYCAXF/DWNYCAXG/BLGRC, | BELL GARDENS | LOS ANGELES | 203,129 | 59,076 | 40 | 65,790 | 9,204 | 7,620,203 | 828 | 0.90 | YES |
| LMCVCAXF | LEMON COVE | TULARE | 10,723 | 3,840 | ${ }^{2}$ | 66,139 | 82 | 197,903 | 2,413 | 0.99 | YES |
| SNTMCAXF | SANTA MARIA | SANTA BARBARA | 122,553 | 34,389 | 21 | 66,301 | 9,401 | 3,090,196 | 329 | 0.35 | YES |
| SNPLCAXF | SANTA PAULA | VENTURA | 54,418 | 16,174 | 12 | 66,639 | 2,185 | 1,369,991 | 627 | 1.21 | YES |
| BNTNCAXF | BENTON | MONO | 3,463 | 1,499 | 1 | 66,786 | 93 | 84,421 | 908 | 1.82 | NO |
| ARHDCAXF | ARROWHEAD FARMS | SAN BERNARDINO | 18,900 | 7,238 | ${ }^{6}$ | 66,869 | 1,938 | 1,626,913 | 839 | 0.91 | YES |
| BRDNCAXF | bermuda dunes | RIVERSIDE | 65,532 | 29,239 | 16 | 67,305 | \#N/A | 649,431 | \#N/A | \#N/A | YES |
| DNLPCAXF | DUNLAP | FRESNO | 6,304 | 2,383 | 1 | 67,417 | 222 | 1,055,035 | 4,752 | 6.26 | YES |
| SVYFCAXF | SQUAW VALLEY | FRESNO | 6,304 | 2,383 | 1 | 67,417 | 127 | 576,469 | 4,539 | 3.21 | YES |
| BLPKCAXF | BALDWIN PARK | LOS ANGELES | 140,968 | 34,584 | 30 | 67,579 | 18 | 2,789,418 | 154,968 | \#N/A | YES |
| MCKTCAXF | MCKITTRICK | KERN | 11,798 | 3,350 | 2 | 67,823 | 151 | 81,203 | 538 | 1.47 | NO |
| CUYMCAXF | CUYAMA | SANTA BARBARA | 7,795 | 2,975 | 2 | 68,124 | 156 | 23,095 | 148 | 1.23 | NO |
| SNGRCAXF | SANGER | FRESNO | 50,228 | 15,087 | 9 | 68,217 | 1,944 | 682,722 | 351 | 1.47 | YES |
| YUCPCAXF | YUCAIPA | SAN BERNARDINO | 61,118 | 21,985 | 11 | 68,585 | \#N/A | 1,347,191 | \#N/A | 0.92 | YES |
| SPLVCAXF | SEPULVEDA | LOS ANGELES | 105,941 | 28,950 | 26 | 68,880 | 4,804 | 4,073,543 | 848 | 0.60 | YES |
| BDGRCAXF | badger | tulare | 11,446 | 4,465 |  | 69,471 | 66 | 103,341 | 1,566 | 6.01 | YES |
| GGvGCAXF | GRANT GROVE VILLAG | FRESNO | 11,446 | 4,465 |  | 69,471 | 247 | 565,602 | 2,290 | 1.08 | YES |
| BLFLCAXF | BELLFLOWER | LOS ANGELES | 97,920 | 31,195 | 22 | 69,504 | 16 | 1,427,814 | 89,238 | \#N/A | YES |
| GDLPCAXG | GUADALUPE | SANTA BARBARA | 19,643 | 6,284 | 3 | 69,715 | 854 | 440,862 | 516 | 0.34 | YES |
| PNCKCAXF | PINE CREEK | INYO | 5,181 | 2,198 | 5 | 70,264 | 112 | 179,572 | 1,603 | 0.86 | YES |
| LNBHCAXG | LONG BEACH | LOS ANGELES | 87,820 | 29,373 | 25 | 71,389 | 17,031 | 11,624,434 | 683 | 0.55 | YES |




## Frequency and restoration of service outages

AT\&T California. The frequency with which service outages occur in any given wire center is driven, in large measure, by the physical condition of the ILEC's central office and outside plant in the wire center's serving area. The rapidity with which a service outage is restored is also affected by the condition of the plant, but may be more directly related to the available resources that the ILEC is able to deploy to correct the problem. For this reason, we have examined these two aspects of service quality separately.

Figures 11.1 through 11.4 are bar graphs showing the values of the four service quality metrics in each of the five MHI quintiles. Figure 11.1 presents the number of service outages per 100 access lines separately for each of the five MHI quintiles, for AT\&T California during the 2018-2019 Phase 2 study period. As the chart shows, there appears to be a clear relationship between the frequency of service outages and the median household income of the communities in each of the five MHI quintiles, with the lowest rates of service outages occurring in the highest income communities. Figures 11.2 through 11.4 present three service restoration metrics, also separately for each of the five MHI quintiles. Figure 11.2 shows the percentage of service outages that are restored within the first 24 hours; Figure 11.3 shows the average duration of service outages; and Figure 11.4 shows the average number of days required for AT\&T to clear $90 \%$ of service outages. Although these metrics all vary across the five MHI quintiles, there is no obvious relationship between these metrics and the MHI for each quintile. Thus, while the overall condition of AT\&T California's plant may be better in higher income communities, the company's response to addressing and resolving service outages appears to be more uniform in all income areas.

Figures 11.5 through 11.8 provide long-term trend lines for each of these four metrics over the full 2010-2019 Phase 1/Phase 2study period. The clear relationship between the outage rate and MHI has persisted throughout the ten years, with the higher income communities consistently experiencing the lowest outage rates. However, no such pattern is discernable for the three restoration metrics.



Figure 11.1. AT\&T California Service Outages per 100 Access Lines per Month for the Five Median Household Income Quintiles, 2018-2019.


Figure 11.2. AT\&T California Average Duration of Service Outages for the Five Median Household Income Quintiles, 2018-2019.


Figure 11.3. AT\&T California Percent of Service Outages Restored Within 24 Hours for the Five Median Household Income Quintiles, 2018-2019.


Figure 11.4. AT\&T California Average Number of Days Required to Restore $90 \%$ of Service Outages for the Five Median Household Income Quintiles, 2018-2019.


Figure 11.5. AT\&T California Service Outages per 100 Access Lines per Month, Long-term trends for the Five Median Household Income Quintiles, 2010-2019.


Figure 11.6. AT\&T California Average Duration of Service Outages, Long-term trends for the Five Median Household Income Quintiles, 2010-2019.



Figure 11.7. AT\&T California Percent of Service Outages Restored Within 24 Hours, Long-term trends for the Five Median Household Income Quintiles, 2010-2019.


Figure 11.8. AT\&T California Average Number of Days Required to Restore $90 \%$ of Service Outages, Long-term trends for the Five Median Household Income Quintiles, 2010-2019.

Frontier California. Figures 11.9 through 11.12 present the corresponding bar graphs for Frontier California wire centers. The results for Frontier are quite similar to those for AT\&T: The Frontier data also shows a clear relationship between income levels and the frequency of service outages, with the highest income communities experiencing the lowest outage rates (Figure 11.9). And as with AT\&T, the three restoration metrics show no discernable household income-related pattern (Figures 11.10 through 11.12).

Figures 11.13 through 11.16 provide long-term trend lines covering the period under Frontier ownership, April 2016 through December 2019. And, as with AT\&T, there is no discernable income-driven pattern with respect to any of the restoration metrics.

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Figure 11.9. Frontier California Service Outages per 100 Access Lines per Month for the Five Median Household Income Quintiles, 2018-2019.


Figure 11.10. Frontier California Percent of Service Outages Restored Within 24 Hours for the Five Median Household Income Quintiles, 2018-2019.


Figure 11.11. Frontier California Average Duration of Service Outages for the Five Median Household Income Quintiles, 2018-2019.


Figure 11.12. Frontier California Average Number of Days Required to Restore $90 \%$ of Service Outages for the Five Median Household Income Quintiles, 2018-2019.



$$
-\$ 0-\$ 46 \mathrm{~K} \quad-\$ 46 \mathrm{~K}-\$ 59 \mathrm{~K} \quad-\$ 59 \mathrm{~K}-\$ 72 \mathrm{~K} \quad-\$ 72 \mathrm{~K}-\$ 85 \mathrm{~K} \quad-\$ 85 \mathrm{~K} \text {-over }
$$

Figure 11.13B Income(FTR)

Figure 11.13. Frontier California Service Outages per 100 Access Lines per Month, Long-term trends for the Five Median Household Income Quintiles, 2010-2019.


Figure 11.14. Frontier California Average Duration of Service Outages, Long-term trends for the Five Median Household Income Quintiles, 2010-2019.


Figure 11.15. Frontier California Percent of Service Outages Restored Within 24 Hours, Long-term trends for the Five Median Household Income Quintiles, 2010-2019.



Figure 11.16. Frontier California Average Number of Days Required to Restore $90 \%$ of Service Outages, Long-term trends for the Five Median Household Income Quintiles, 2010-2019.

## Racial characteristics of the population being served and service quality

ETI was also tasked with examining whether there is any discernable pattern or relationship between ILEC service quality and the racial characteristics of individual ILEC service areas. To undertake this analysis, we utilized data from the US Census Bureau's 2010 American Community Survey ("ACS"), the most current source of this type of information. ACS compiles racial and nationality data at the individual Census Block level, which we aggregated to AT\&T and Frontier wire center serving areas as described above. This was necessary because the most granular level of ILEC service quality data that is available is at the wire center level. While we have attempted to compile this information, we caution the Commission as to both its precision and usefulness. Individual wire centers typically serve populations ranging from a few thousand in rural areas to 100,000 or more in urban areas. These serving areas typically embrace a large variety of diverse populations, both residential and nonresidential. Our aggregations necessarily obscure the details of individual communities within a given wire center serving area. In addition, there is likely some correlation between racial and income attributes, which we have not expressly examined or controlled for. Thus, it is possible that the variation in service quality metrics that appear to be linked to race may well be attributable to income differentials.

The ACS utilizes several different demographic population metrics, some of which are based upon race (e.g., "Black" and "Non-White"), whereas others are based upon nationality (e.g., "Hispanic"). Because there may be overlaps as between these two types of population metrics, they cannot be combined. We have prepared several sets of bar graphs corresponding to the ones we prepared for the median household income analysis, which are provided as Figures 11.17 through 11.28 for AT\&T, and Figures 11.29 through 11.40 for Frontier.


We have found no consistent relationship between the percentage of minority populations in wire center serving areas and the incidents of service outages or any of the service restoration metrics (see Figures $11.17,11.21,11.25,11.29,11.33$ and 11.37). Also, and as with our income analysis, there does not appear to be any observable pattern associated with any of the service restoration metrics and the extent of minority populations. As these graphs indicate, there is no identifiable or consistent relationship between any of the racial attributes and either the frequency of service outages or the rapidity with which restorations occur, for either of the two ILECs.


Figure 11.17. AT\&T California Service Outages per 100 Access Lines per Month by Racial Population Characteristics - Percent Black, 2018-2019.


Figure 11.18. AT\&T California Average Duration of Service Outages by Racial Population Characteristics - Percent Black, 2018-2019.


Figure 11.19. AT\&T California Percent of Service Outages Restored Within 24 Hours by Racial Population Characteristics - Percent Black, 2018-2019.


Figure 11.20. AT\&T California Average Number of Days Required to Restore $90 \%$ of Service Outages by Racial Population Characteristics - Percent Black, 2018-2019.


Figure 11.21. AT\&T California Service Outages per 100 Access Lines per Month by Racial Population Characteristics - Percent Hispanic, 2018-2019.


Figure 11.22. AT\&T California Average Duration of Service Outages by Racial Population Characteristics - Percent Hispanic, 2018-2019.


Figure 11.23. AT\&T California Percent of Service Outages Restored Within 24 Hours by Racial Population Characteristics - Percent Hispanic, 2018-2019.


Figure 11.24. AT\&T California Average Number of Days Required to Restore $90 \%$ of Service Outages by Racial Population Characteristics - Percent Hispanic, 2018-2019.


Figure 11.25. AT\&T California Service Outages per 100 Access Lines per Month by Racial Population Characteristics - Percent Non-White, 2018-2019.


Figure 11.26. AT\&T California Average Duration of Service Outages by Racial Population Characteristics - Percent Non-White, 2018-2019.


Figure 11.27. AT\&T California Percent of Service Outages Restored Within 24 Hours by Racial Population Characteristics - Percent Non-White, 2018-2019.


Figure 11.28. AT\&T California Average Number of Days Required to Restore $90 \%$ of Service Outages by Racial Population Characteristics - Percent Non-White, 2018-2019.


Figure 11.29. Frontier California Service Outages per 100 Access Lines per Month by Racial Population Characteristics - Percent Black, 2018-2019.


Figure 11.30. Frontier California Average Duration of Service Outages by Racial Population Characteristics - Percent Black, 2018-2019.


Figure 11.31. Frontier California Percent of Service Outages Restored Within 24 Hours by Racial Population Characteristics - Percent Black, 2018-2019.


Figure 11.32. Frontier California Average Number of Days Required to Restore $90 \%$ of Service Outages by Racial Population Characteristics - Percent Black, 2018-2019.


Figure 11.33. Frontier California Service Outages per 100 Access Lines per Month by Racial Population Characteristics - Percent Hispanic, 2018-2019.


Figure 11.34. Frontier California Average Duration of Service Outages by Racial Population Characteristics - Percent Hispanic, 2018-2019.


Figure 11.35. Frontier California Percent of Service Outages Restored Within 24 Hours by Racial Population Characteristics - Percent Hispanic, 2018-2019.


Figure 11.36. Frontier California Average Number of Days Required to Restore $90 \%$ of Service Outages by Racial Population Characteristics - Percent Hispanic, 2018-2019.


Figure 11.37. Frontier California Service Outages per 100 Access Lines per Month by Racial Population Characteristics - Percent Non-White, 2018-2019.


Figure 11.38. Frontier California Average Duration of Service Outages by Racial Population Characteristics - Percent Non-White, 2018-2019.


Figure 11.39. Frontier California Percent of Service Outages Restored Within 24 Hours by Racial Population Characteristics - Percent Non-White, 2018-2019.


Figure 11.40. Frontier California Average Number of Days Required to Restore $90 \%$ of Service Outages by Racial Population Characteristics - Percent Non-White, 2018-2019.

## Conclusion

While there is some evidence that both AT\&T California and Frontier California may be devoting more attention toward the condition of their central office and distribution plant in higher income and non-minority areas, there is no evidence of any inherent racial bias or redlining, nor is there any indication that higher income or non-minority communities are receiving more favorable treatment with respect to service restorations.

As we have noted, these results are at best an indication that more detailed examination of ILEC service quality performance below the individual wire center level may be warranted. A more granular analysis of this sort is well outside the scope of this Study. We do not consider the results presented here to be conclusive, but at best suggestive of a potential concern that could require more detailed investigation.

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[^0]:    91. Frontier California Response to CD Data Request 11-F-**.
    92. AT\&T California Responses to CD Data Request 11-A-3, 01-A-3.
    93. AT\&T California Response to CD Data Request 12-A-10..
[^1]:    

