



CALinnovates

*In case you
missed it*

TO: Interested Parties

FROM: Mike Montgomery, Executive Director, CALinnovates

Leading Tech Columnist: PUC is “Gasping to Relevance” in Regulating Phone Service

The California Public Utilities Commission is enduring plenty of criticism these days for its regulation of the utility industry. But it also is behind the curve when it comes to the regulation of the fast-changing telecommunications industry, according to respected tech columnist Larry Downes.

In a column appearing in [Forbes](#), Downes claims that PUC is “gasping for relevance” with a series of recent decisions, most notably when it announced it is [launching a comprehensive investigation](#) into the state of competition in the increasingly obsolete analog telephone network.

Analog is the only part of the market over which the PUC has authority. However, this hasn’t stopped them from attacking parts of the industry they have no authority to regulate, writes Downes.

They’re going after four incumbent phone companies, landline providers, every VoIP provider, every cable provider, every mobile provider, every broadband provider and their “affiliates,” which can be interpreted to include app developers and software companies who do business with ISPs and network operators. As Downes correctly explains, **“This is no mere bureaucratic fishing expedition. This is a nuclear weapon dropped into the middle of the lake, just to see what bodies float to the surface.”**

A coalition of tech companies and public interest groups comprised of TechNet, the Silicon Valley Leadership Group, and the California Chamber of Commerce called the investigation, “an overreaching study of everything but the kitchen sink, including a host of technologies, subjects, and an arbitrary selection of parties that are completely outside its influence and jurisdiction.”

California is the nation’s leader in innovation. But the PUC is operating on rules better suited to the days when operators helped you complete a call, you worried about when you made a long distance call, and you called 411 for a phone number. It’s time they helped California’s telecommunications provide the choice customers are demanding while maintaining consumer protections instead of being a roadblock to innovation.