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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking Regarding Revisions to the California Universal Telephone Service (LifeLine) Program	R.11-03-013 (Filed March 24, 2011)

MOTION OF THE UTILITY REFORM NETWORK TO EXTEND THE RATE FREEZE FOR CALIFORNIA LIFELINE SERVICE AND ORDER A CORRESPONDING FREEZE TO SUBSIDY AMOUNT GRANTED CARRIERS

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I. INTRODUCTION

Pursuant to Rule 11.1 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure, The Utility Reform Network (TURN) files this *Motion to Extend the Rate Freeze for California LifeLine Service and Order A Corresponding Freeze to Subsidy Amount Granted Carriers* (Motion).

In this proceeding, a successor to R.06-05-028, the Commission continues its significant work on the California LifeLine Program. While the Assigned Commissioner has not issued a scoping memo, at a minimum this docket will serve as a forum to continue key implementation measures of previously adopted changes and to consider additional modifications to the Program as the Commission's policy on these issues progresses. Indeed, the Commission has specified, "any subsequent LifeLine measures will be considered exclusively in this new rulemaking."[1]

In the past several years the Commission has attempted to pave the way for participation in the Program by alternative communications providers, update the LifeLine service offerings, make significant changes to the certification and verification process and, perhaps most significantly, revise the methodology for setting the LifeLine rate for customers and subsidy amounts for carriers. The next immediate step for the Commission is to focus on that fact that the current cap on LifeLine rates is due to expire on December 31, 2012. Thereafter, LifeLine rates will be allowed to rise as carriers see fit, up to a level that is 50% of a carrier's basic service rate. By TURN's calculations this could result in significant rate increases for the state's most vulnerable population.

Given the rise in basic service rates over the past two years for some of the URF LECs, most LifeLine customers will likely see increases in their rates for LifeLine service after the current freeze expires. For AT&T customers that increase could be as much double the current rate – from $6.84 to $10.50. As TURN discusses below, given the terrible state of the economy, significant numbers of Californians living in poverty, the shrinking participation in the LifeLine Program, the continuous stream of major changes to the Program, and significant unfinished business for the Commission to update the Program, TURN urges the Commission to extend the rate freeze for LifeLine service for three years as well as freeze the amount of subsidy support a carrier can receive for participating in the LifeLine Program.

[1] *Order Instituting Rulemaking On Revisions To The California LifeLine Program* (OIR), R.11-03-013, p. 2.

II. Background

In the *Order Instituting Rulemaking On Revisions To The California LifeLine Program* (OIR), R.11-03-013 the Commission summarized the revisions to the LifeLine Program adopted in November 2010 in D.10-11-033. Aside from the Program modifications in 2005 to implement FCC requirements on income documentation and Program eligibility, the modifications in 2010 represented some of the most significant changes in the LifeLine Program since its inception. Among the most important changes, the Commission adopted a new subsidy methodology for carriers - the Specific Support Amount (SSA). Under this new approach, LifeLine service would be "de-linked" from the AT&T basic rate structure. In its place, the Commission established the SSA to set the carrier subsidy cap at 55% of the highest basic rate of the Uniform Regulatory Framework local exchange carriers (URF) carriers of last resort (initially set at $11.50 effective July 1, 2011). In addition, D.10-11-033 capped the current LifeLine rate for customers at $6.84 for two years (ending December 31, 2012) and limited subsequent increases to annually so that the LifeLine rate can be no more than 50% of a carrier's basic service rate.

The Commission also recognized that implementation of the LifeLine Program changes would take significant time and effort. While it initially scheduled a series of workshops and meetings, resulting in the adoption of at least one resolution to amend General Order 153, it ultimately became clear that implementation efforts would take even more work. Therefore, the Commission instituted the instant proceeding to deal with additional implementation issues, including the steps necessary for "non-traditional" carriers, such as wireless providers, to participate in the LifeLine Program.

In the OIR, the Commission stated that the LifeLine Program "was designed to ensure that basic telephone service remains affordable for low-income Californians and our on-going commitment to achieving that objective requires additional work."[2] The Commission further committed that it "will continue to monitor impacts on ratepayers so that the basic rate remains just and reasonable and that the LifeLine rate remains affordable."[3] This Motion urges the Commission to take steps to fulfill that specific commitment.

[2] OIR, p. 2
[3] OIR, p. 3.

III. The Economic Recession Has Resulted In A Dramatic Increase In Poverty In California

As the Commission is well aware, the California economy (as well as the national economy) is still suffering from the serious impacts of the Great Recession. This recession and its aftermath have disproportionally impacted lower income Californians. According to a September 2011 report, the percentage of California citizens with income below the federal poverty line rose in 2010 for the fourth straight year. Based on 2010 census data, California's 2010 "poverty rate rose to 16.3 percent, the highest rate since 1997. More than 6 million Californians – nearly one out of six – had incomes below the federal poverty line. In addition, 2.2 million of the state's children – nearly one out of four – were living in poverty in 2010."[4] In addition, the census data shows "a sharp drop in inflation-adjusted income for the typical California household. The state's median household income dropped by $2,602 (4.6 percent) to $54,459 in 2010 – the largest single-year drop on record."[5] There is nothing that indicates that the economy is about to markedly improve and therefore we can expect more of the same in 2013.

County-level Census data show that poverty rates in California counties runs as high as 26.8% (Fresno County) and that almost 50% of all California counties have poverty levels above the 16.3% average.[6] The Public Policy Institute of California (PPIC), in analyzing poverty in California, has found, among other things, that: "California typically has a higher poverty rate than the rest of the nation; Latinos and African Americans have higher poverty rates than other groups; and poverty varies dramatically in accordance with educational levels."[7] While these statistics offer a snapshot of poverty in California, they do not give the true picture of how difficult it is for these families. The federal poverty threshold does not represent what a family requires for a decent living in California. Thus, for example, the 2011 federal poverty threshold is $22,350 total yearly income for a family of four. It is hard to imagine a family of four living on that amount of income in most major metropolitan areas in the state. Even the Commission

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[4] California Budget Project, *New Data Show That More Than 6 Million Californians – Over one-Third of Them Children – Lived in Poverty in 2010 (September 13, 2011)*, at http://www.cbp.org/pdfs/2011/110913_Income_Poverty_Health.pdf, p. 1.
[5] *Id.*
[6] See, USDA Economic Research Service, 2010 County-Level Poverty Rates for California at http://www.ers.usda.gov/Data/povertyrates/PovListpct.asp?st=CA&view=Percent&longname=California.
[7] Public Policy Institute of California, *Poverty In California* (December 2011) at http://www.ppic.org/main/publication_show.asp?i=261.

itself, in setting the LifeLine eligibility at 150% of the federal poverty level recognizes that even families making more than "poverty" wages need assistance to make ends meet.

The AT&T basic service rate is now $21.00 per month, more than double the rate prior to its full deregulation in 2006. If the LifeLine cap is removed as planned, AT&T LifeLine customers (representing the bulk of LifeLine customers in California given that AT&T is still by far the largest provider of telephone service in the state) will likely be paying 50% of the basic rate or $10.50, more than a 50% rate increase from the current rate of $6.84. Many California citizens living in poverty are also on fixed incomes due to disability or being elderly (according to the census data 13.2% of Californians in poverty are disabled). The poor in California can barely make ends meet today. Any increase in costs, let alone a monthly increase of $3.66 in their phone bills represent a hardship.

The jump in rates will exacerbate an already problematic situation demonstrated by the fact that the Program loses participants every month. As discussed below, recent changes to the Program require customers to sign up for service as a full rate basic service customer, including the larger non-recurring fees to initiate service along with any pre-payment or deposit requirements. These large up front costs, along with other documentation and administrative difficulties, serve as significant barriers to signing up for service for those families already struggling to make ends meet.

The essential purpose of the LifeLine Program is to ensure that low-income consumers have access to basic telephone service. The Commission has repeatedly expressed its strong commitment to this critical Program. In the OIR in this proceeding the Commission once again committed to ensuring that LifeLine rates remain affordable. TURN submits that the only way this commitment can be achieved is by freezing the LifeLine rate for three years. Hopefully within that time the California economy will rebound and the level of poverty may decrease, in addition to necessary work being completed by the Commission to ensure LifeLine customers have access to alternative technology choices for LifeLine service. Until that time, however, it is incredibly harsh to punish those who can least afford it by asking them to pay significantly increased rates for a critical service.

IV. The LifeLine Program Has Undergone And Continues To Experience Fundamental Changes That Negatively Impact LifeLine Subscribers

A. Significant changes have been made to the California LifeLine Program

The California LifeLine Program continues to be one of the most robust state-supported low-income rate assistance telephone programs in the country. However, over the past several years, the California LifeLine Program has suffered through a series of significant changes that have left their marks in terms of administration of the Program and participation by low-income Californians. TURN finds that a bit of history will support this Motion to demonstrate that LifeLine participants have been through the gauntlet of LifeLine changes, with more expected, and therefore, they should not be forced to endure additional uncertainty or rate increases at this time, suggesting that a freeze on LifeLine rates is warranted.

In 2004, the FCC adopted a set of changes to the administration of its own LifeLine Program and dictated that the same changes must be implemented by state programs that rely on federal funds. California relies heavily on federal subsidy money to support its LifeLine Program in addition to the state subsidy money received through surcharges on the intrastate revenues of telecommunications carriers operating in the state. Thus, in 2005, the Commission had no choice but to implement the FCC's requirements and, as a result, the Program went from a utility-administered, self-certification Program with over 3 million subscribers to a Program with a third party administrator, new eligibility criteria and documentation requirements.[8] After over a year of ironing out significant implementation problems, the revamped Program was up and running but losing subscribers at an unacceptable pace.[9] The Program served 3.5 million Californians in 2006, by the end of 2008 that number was 2.1 million and as of March 2012 1.5 million.[10]

However, despite the uneasy status of the administration of the Program, the Commission imposed further changes in 2008 to implement a prequalification process.[11] Prequalification

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[8] *See*, D.05-04-026 and D.05-12-013 in Rulemaking R.04-12-001.
[9] *See*, .06-11-017 in R. 04-12-001 suspending parts of the Program due to significant computer and system errors and see D.07-05-030 for Commission-ordered "fixes" to the processes and procedures.
[10] D.07-05-030, Attachment A, Staff Report, p. A-2 (R.04-12-001) but see current participation statistics posted on the Commission website at http://www.cpuc.ca.gov/PUC/Telco/Information+for+providing+service/FormNotices_Public+Program.htm under the heading "Solix LifeLine Customer Counts."
[11] D.08-08-029 (R.04-12-001).

requires customers to sign up for service as a full rate basic service customer, including the payment of all non-recurring charges and deposit requirements prior to being approved and placed on the Program. Customers are credited up-front money paid to the carrier only after being approved and successfully placed on the Program. While this process has meant fewer customers are removed and back-billed from the Program after being found ineligible (sometimes incorrectly) the process has also required **every** applicant to pay high up front costs and wait for credits once on the Program.[12]

Meanwhile, as the Commission continued to morph and change the mechanics of qualification and certification procedures in one docket, it also continued to debate the fundamental purposes, eligibility, features and benefits of the Program in a separate proceeding starting in 2006. Although the debate in this separate proceeding continued from 2006 to 2010, including the closing of one docket and opening of a new one, there was no decision from the Commission until late 2010. The four-year uncertainty about looming changes in the Program had an impact on many aspects of administration of the Program. The Commission's ultimate decision (D.10-11-033) made, yet again, major changes to the Program and foreshadowed even further modifications. The limitations on cost reimbursement for carriers, new benchmarks for setting the subsidy amount (Specific Support Amount) and setting the new LifeLine rate for customers have been complicated to implement and difficult to explain to customers.

Recently, the FCC issued another order detailing even further changes in the federal Lifeline Program that will impact California.[13] Among the new changes are:

- Changes in initial and annual certification requirements, including additional documentation requirements for Program-eligible customers;
- Changes in eligibility requirement from one subscription/discount-per-address to one subscription/discount-per-household;
- Changes in Lifeline reimbursements from a four-tier support system to a uniform federal flat rate amount of $9.25, in some cases causing increases in the LifeLine rates charged to participants;
- Creation of a national Lifeline Accountability Database to prevent multiple carriers from receiving support for the same subscribers, mandating additional personal information on applications such as the Social Security Number and date of birth to populate the database;

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[12] Some carriers have payment plans to break up larger up-front costs into payments, but TURN finds from its callers that even a single months' worth of "pre-payment" requirements can make the Program unaffordable.

[13] *FCC Lifeline and Link Up Reform and Modernization et al., Report and Order and Further Notice of Proposed Rulemaking*, WC Dkt. Nos. 11-42 *et al*, CC Dkt. No. 96-45, FCC 12-11 (rel. Feb. 6, 2012 (FCC Lifeline Reform Order).

- Gradual elimination of federal support for toll limitation service, potentially increases the costs to LifeLine customers who elect this cost-saving measure;
- Elimination of federal Link Up support on non-tribal lands that are served by eligible telecommunications carriers (ETCs) participating in both the federal Lifeline and high-cost Programs; and
- Adoption of independent audit requirements for carriers that receive more than $5 million in annual federal support.[14]

It is still too early to tell what impact the new changes being required by the FCC will have on the California LifeLine Program. However, two of the changes adopted by the FCC directly impact the subsidy amount received by the carriers and the rate paid by the customer. The FCC reduced the amount of subsidy coming from the federal Universal Service Fund. The Commission's design of the SSA relies heavily on the current FCC subsidy framework. Therefore, as discussed below, the FCC's changes may ultimately impact the subsidy and rate for LifeLine, but for now the staff is proposing to make up for the loss in federal funds through the state fund. In any event, if past experience is any indication, implementation of the most recent FCC changes will likely create further consumer confusion and the potential for even more eligible customers to exit or to never even apply for the LifeLine service. Furthermore, it is likely that increases in the state portion of the LifeLine subsidy due to changes at the federal level will result in commensurate increases in the surcharges paid by non-LifeLine consumers. How significant these increases will be is still unclear, especially if offset by the equally troubling fall in participation rates, but for LifeLine eligible customers who, for one reason or another, fail to qualify for LifeLine and, as a result, must pay basic service rates and all the related taxes and surcharges, any increase in surcharges will be a burden on that particularly vulnerable population.

B. The Commission has a significant number of outstanding issues relating to the LifeLine Program that must be resolved before the cap is lifted

In the OIR issued March 30, 2011 in the instant proceeding, the Commission has recognized that certain elements of D.10-11-033 need clarification "to avoid customer and

[14] As described in Commission Draft Resolution T-17366, pp. 4-5.

carrier confusion." [15] Moreover, the Commission is still considering the details of implementing a California wireless LifeLine Program in this proceeding. A wireless LifeLine offering has the potential to create significant impacts on the entire LifeLine Program, LifeLine subscribers and on all consumers that pay surcharges to support the Program by affecting LifeLine rates, subsidy amounts and terms and conditions. The Commission created the SSA, in large part, to allow for and to encourage customer choice. Indeed, in D.10-11-033 the Commission specifically stated,

> Low-income consumers would have the same option in choosing communication services as non-low-income consumers, and would not be limited to only wireline service options. By setting the benefit that carriers must pass through to California LifeLine customers [the SSA], the Commission ensures that low-income consumers are not restricted in purchasing the types of services they need.[16]

Arguably, this Commission is not significantly closer to creating multiple technology options for LifeLine customers than it was in 2010 nor is it where it expected to be at this time with so much unfinished work. It would be unfair to lift the cap on the rate, if the policy justification for the SSA and the resulting increase in rates is not currently in place. Realistically, LifeLine customers in California do not have a choice of wireless or VoIP technology for LifeLine under the current state Program.

In D.10-11-033, the Commission noted that there were many outstanding issues that must be resolved regarding the LifeLine Program. For example, the Commission specifically directed the Communications Division (CD) to hold workshops on how non-traditional providers will participate in the California LifeLine Program. D.10-11-033 identified a laundry-list of issues for workshop exploration and resolution including:

> (a) May wireless and/or other non-traditional carriers, such as VoIP providers, charge LifeLine customers early termination fees (ETFs)?
> (b) May wireless and/or other non-traditional carriers, such as VoIP providers, require LifeLine customers to sign service contracts?
> (c) What types of services would LifeLine customers of wireless and/or other non-traditional carriers, such as VoIP providers, need?
> (d) Would LifeLine customers of wireless and other non-traditional carriers such as VoIP providers receive the same level of service as other customers?

[15] OIR, p. 8.
[16] D.10-11-033, p. 49.

(e) What happens if a LifeLine subscriber of a wireless, VoIP, or other non-traditional provider does not renew its contract or wish to continue with the LifeLine Program with that particular carrier?
(f) What happens if a wireless or non-traditional carrier terminates their LifeLine Program?
(g) Does the subsidy for connection/conversion costs apply to activation fees?
(h) What methodology should the Commission use to ensure compliance with the provision of the Moore Act which states that non-recurring connection charges shall not be more than 50 percent of the charge for basic residential service, particularly with respect to non-traditional carriers?
(i) How is LifeLine pricing determined for data plans?
(j) How will the LifeLine Program be implemented for data services for DDTP eligible consumers?
(k) Should the time allowed (one year under this decision) for adjustments for timely filed initial claims be shortened?[17]

To TURN's knowledge, none of these issues have even been addressed or discussed by the staff or Commission, much less been the subject of a final decision or resolution. Further, TURN submits that the above list is incomplete and many other outstanding issues should be addressed.

One of those outstanding issues is the definition of basic service as the foundation for a revised LifeLine service offering. The Commission has been considering this issue for several years. In fact, in D.10-11-033, the Commission specifically linked the resolution of next steps for LifeLine to "a decision adopting a definition of 'basic service' in the High Cost Fund-B Docket, R.09-06-019."[18] A proposed Decision (PD) on the definition of basic service has been issued and revised several times and is now on hold for additional work. Today LifeLine service is merely a discount off basic service. Thus, any redefinition of basic service could potentially have significant impacts on LifeLine as well as on basic service customers. Among the more troubling proposals as reflected in the current PD are:

- The elimination of the requirement for stand-alone basic service for wireline and wireless services;
- The weakening of E-911 requirements;
- The subsidization of wireless calling plans that provide only a minimal amount of minutes; and

[17] D.10-11-033, pp. 104-105.
[18] D.10-11-033, p. 103.

- The exclusion of the ability to make 8XX number without charge (takes out the "free" in toll free) for wireless customers.

In addition, legislation wending its way through the legislative process in Sacramento may raise significant questions relating to the LifeLine Program including what carriers must provide LifeLine service. SB 1161 (Padilla) eliminates any Commission jurisdiction over VoIP and IP-enabled services. However, the provisions of the bill as currently written call into question the Commission's jurisdiction over carriers that currently offer LifeLine service if those carriers' networks include VoIP or IP-enabled services.

As discussed above, LifeLine customers have experienced tumultuous changes over the last several years and the Commission still has not properly implemented a wireless LifeLine Program as it anticipated when it adopted a two-year freeze in 2010. The Commission has significant unfinished business, not to mention additional demands from the FCC and potentially the Legislature so that it would be unfair to allow the LifeLine rate to change and be linked to the carriers' basic service rates with so much unknown for the Program. In such an environment it would be judicious for the Commission to step back and continue to freeze LifeLine rates (as well as the carriers' subsidy as discussed in more detail below) until it resolves the rest of the possible changes and impacts to the Program.

V. Carrier freeze

One of the major changes in the LifeLine Program instituted by the Commission in 2010 was replacing the prior subsidy methodology with a new Specific Support Amount. In general, the mechanics of the SSA require that the Commission establish an initial SSA (which was capped at $11.50) and then recalculate the SSA annually at 55% of the highest reported URF COLR rate.[19]

TURN has consistently voiced concern that the SSA methodology along with the deregulation of basic service rates allows the carriers to raise their basic rates causing a corresponding increase in LifeLine rates, effectively ensuring themselves of an increase in the subsidy amount. By pushing up the basic rate, carriers are effectively guaranteed at least 55% of

[19] See, T-17337 (September 23, 2011) keeping the SSA at $11.50 based on the carriers' basic service rate levels as of July 31, 2011. However, AT&T's basic service rate has increased $1.05 since that time, causing an increase in the SSA for the next reporting period.

the highest basic rate in the state. Given this perverse incentive, AT&T for example, is encouraged to raise its basic rates at least once per year as well as make a corresponding increase in LifeLine rates. Under this scenario, AT&T wins across the board – increased revenues from basic service customers, increased revenues from LifeLine customers and an increase in the subsidy amount. There is no doubt that carriers such as AT&T will argue that competition is a check on basic service rate increases. However, as TURN has repeatedly pointed out the facts argue otherwise. Competition for basic service is so weak that AT&T has had no compunction about continually raising rates ever since it was offered the opportunity to do so by this Commission. In fact, AT&T as recently as March 2012 again raised its basic service rate this time to $21.00. By comparison, that rate when the URF decision was issued at the end of August 2006 was $10.69. Thus, the current rate is about double the 2006 rate and there is no indication that "market forces" have or will require AT&T to maintain the existing rate or decrease it. Given that the SSA can be re-set for 2013 based on basic rates as of July 31, 2012, AT&T and other carriers have a window of opportunity to get the SSA increased for 2013.

Accordingly, in conjunction with a rate freeze as discussed above, TURN also urges the Commission to freeze the SSA for three years. Given the dramatic lack of basic service competition, the carriers are in total control of their financial destiny, as clearly demonstrated by the ongoing string of basic rate increases. "Old-school" concepts of revenue neutrality and carriers being made "whole" need to be re-analyzed in light of price deregulation and a complete lack of cost-justification for carrier subsidies. There is no evidence that carriers will be forced to operate "at a loss" if subsidy amounts (along with LifeLine rates) are frozen at this point while the Commission continues to make changes to the Program. As the FCC recognized when it reduced subsidy funding for its Program, the nature of LifeLine subsidy calculation has significantly changed over the years. While the subsidy had been tied to "network cost" over the years, such a figure is increasingly irrelevant and difficult to calculate. The FCC changed its subsidy amount to an interim amount of $9.25 despite the fact that some companies will receive less than they have in the past from the Fund.[20] Further, the FCC also found that due to the changing landscape of regulatory requirements, existing subsidy frameworks are subject to manipulation,

[20] FCC LifeLine Modernization Order at para. 58 and footnote 152.

> We also have concerns that Link Up, in its current form, is vulnerable to waste and abuse. Providing support for half of a "customary" charge up to a flat $30 amount creates incentives for carriers to set their customary charge at $60 in order to maximize their draw from the Program, with incentives to focus on obtaining new subscribers, thus triggering application of the activation fee, rather than focus on maintaining existing subscribers.[21]

Thus, a freeze in carrier subsidy is warranted and the burden should be on the carrier to demonstrate harm, aside from lower profits, from this interim measure.

TURN also notes that the Commission is currently implementing a significant increase in the carrier subsidy from the state LifeLine fund to make up for some of the changes at the federal level.[22] The Commission has already approved changes in the largest carriers' LifeLine tariffs that would increase the level of subsidy coming from the Fund by $30 a customer for new customers to "make up for" the loss of Link Up subsidy from the FCC. While TURN does not support such a large burden on the Fund and the commensurate impact on non-LifeLine customers, that is not the issue being raised in this Motion.[23] However, the potentially large burden on the Fund if the Commission determines that carriers should be 'made whole" for the loss of the federal subsidy should also dictate a freeze in the subsidy going forward while the Commission takes a holistic look at the impact of the federal changes and changes to broaden participation in the Program to wireless carriers as discussed above.

Further, as discussed above, California is mired in a deep recession. While this economic disaster clearly impacts low-income consumers, it also has negative effects on the rest of California citizens. In particular, since all non-LifeLine customers pay a surcharge to support the LifeLine Program, increases in the SSA directly impact those who must pay the surcharge. A three-year freeze of the subsidy amount would mean that those who pay the surcharge will not see an increase in these fees – a small but potentially important bit of relief for Californians who are struggling to make ends meet.

VI. CONCLUSION

There is no doubt that the California LifeLine Program meets a significant need providing low-income consumers access to basic telephone service. There is also no doubt that

[21] FCC LifeLine Modernization Order at para. 247
[22] Draft Resolution T-17366, p. 12-13.
[23] TURN will address that issue in its comments on Draft Resolution T-17366.

the Commission has demonstrated a steadfast commitment for over 25 years to meeting that need. However, over the last few years, fundamental changes in the LifeLine Program, some driven by the FCC and others by this Commission, have taken a toll on the current success and possible future of the Program. As discussed above, these changes and more yet more to come should give the Commission pause especially regarding the elimination of the price cap and the increase in the carriers' subsidy draw. Now is not the time to create further chaos in this Program. There is no compelling reason that the current rate freeze must be lifted at the end of the year, nor that the SSA must be increased. Rather, TURN urges the Commission to freeze both elements of the Program for three years, which should provide sufficient time and opportunity for the LifeLine Program to absorb and accommodate the current and future changes.

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