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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.

Rulemaking 11-03-013
(Filed March 24, 2011)

**ADMINISTRATIVE LAW JUDGE'S RULING CORRECTING
ATTACHMENT TO MARCH 9, 2015 RULING**

On March 9, 2015, the assigned Administrative Law Judge (ALJ) issued a ruling: (1) Incorporating Staff Proposal into the Record, (2) Requesting Comment and (3) Setting Comment Dates on a Staff Proposal attached as Attachment A. Unfortunately due to inadvertent error, the Staff Proposal that was attached to the March 9, 2015 ruling as Attachment A was the incorrect version which had not been put into final format. The new version of the Staff Proposal attached to this ruling as Attachment 1 is the correct Staff Proposal upon which the California Public Utilities Commission seeks comment. Attachment 1 is largely the same as the March 9, 2015 version, but it has been reformatted and reorganized for clarity. As a result, Parties are asked to disregard Attachment A from the March 9, 2015 ruling and provide Comments and Reply Comments only to the Staff Proposal attached hereto as Attachment 1. Additional time has been provided to file and serve Opening Comments.

Parties are instructed to comment on the Staff Proposal attached to this ruling and answer the 7 questions raised in the March 9, 2015 ruling, according to the schedule below:

Event	Date
File and Serve Opening Comments	April 2, 2015
File and Serve Reply Comments	April 27, 2015

IT IS RULED that:

1. The “Staff Proposal of Rules for Enabling Fixed-VoIP Service Providers Without CPCNs to Participate in the California LifeLine Program,” at Attachment 1 to this ruling is entered into the record.
2. Opening Comments on Attachment 1 to this ruling are due on April 2, 2015, and Reply Comments are due on April 27, 2015.

Dated March 18, 2015, at San Francisco, California.

/s/ DOROTHY DUDA for

Katherine Kwan MacDonald
Administrative Law Judge

ATTACHMENT 1

**Staff Proposal for Enabling Fixed-VoIP Service Providers
Without CPCNs to Participate in the California LifeLine Program**

Staff Proposal for Enabling Fixed-VoIP Service Providers Without CPCNs to Participate in the California LifeLine Program

The purpose of this Communications Division (CD) Staff Proposal is to recommend modifications to the California LifeLine Program (California LifeLine) to allow fixed-Voice over Internet Protocol (VoIP) service providers without a certificate of public convenience and necessity (CPCN) to participate in California LifeLine on a voluntary basis. The proposal includes the following sections: 1) registration process; 2) Tier 3 Advice Letter authorization process; and 3) initial and ongoing requirements.

SECTION 1: REGISTRATION PROCESS

To participate in California LifeLine, a fixed-VoIP service provider without a CPCN must:

- A. Complete and submit a VoIP Provider Registration Form (to be developed by CD).
- B. Request and obtain a Utility Contact Information System (UCS) Identification (ID) Number associated with Digital Voice Service (DVS) from CD's Licensing Team after the VoIP Provider Registration Form has been submitted and approved by CD.
- C. Pay registration fee – amount shall be equal to the amount that the CPUC charges for a Competitive Local Carrier's (CLC) registration fee¹.
- D. Pay other fees required by the CPUC².

SECTION 2: TIER 3 ADVICE LETTER AUTHORIZATION PROCESS

A fixed-VoIP service provider shall file a Tier 3 Advice Letter with CD and demonstrate that it meets all California LifeLine entry pre-requisites.

- A. California LifeLine entry pre-requisites are:
 - i. Demonstrate the company has an active registration with the CPUC;

¹ The CLC registration fee is currently \$75.

² An example of another fee to which a fixed-VoIP service provider may be subject is the California Environmental Quality Act fee.

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- ii. Demonstrate the company is current in collecting and remitting public purpose program surcharges and CPUC user fees;
- iii. Demonstrate that the company's proposed services comply with the California LifeLine fixed-VoIP service elements;
- iv. Commit to provide California LifeLine fixed-VoIP services throughout the designated service area(s) (identify service area – map, zip codes list, geographic area list);
- v. Demonstrate the company's financial, technical capabilities and managerial competence;
- vi. Demonstrate the company's ability to remain functional at all times;
- vii. Demonstrate that it meets all public interest standards;
- viii. Provide terms and conditions of the company's proposed services;
- ix. Provide disclosures for the company's proposed services;
- x. Provide a schedule of rates and charges for the company's proposed services;
- xi. Describe how the company will interface with consumers before, during, and after enrollment;
- xii. Describe how the company will integrate its intake and provisioning process in compliance with the California LifeLine Administrator's enrollment process;
- xiii. Comply with the CPUC's Performance Bond requirement (to be developed in this proceeding);
- xiv. Submit an affidavit (to be developed by CD); and
- xv. Comply with any additional entry pre-requisites that are developed by the CPUC in this phase of the proceeding.

SECTION 3: INITIAL AND ONGOING CALIFORNIA LIFELINE PROGRAM REQUIREMENTS

I. ADMINISTRATIVE OBLIGATIONS

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If a fixed-VoIP service provider's Tier 3 Advice Letter is approved by the CPUC, it must:

- A. Submit and obtain approval of the company's provisioning process to the Administrator and CD.
- B. Submit marketing materials for review and approval by CD.
- C. If the company wants to make any changes to the services approved in its Tier 3 Advice Letter, it must file a Tier 2 Advice Letter and obtain approval from CD.
- D. Comply with the California LifeLine Program's eligibility rules and enrollment process, including, but not limited to validation checks, transmission requirements, and efforts to prevent waste, fraud, and abuse as administered by the California LifeLine Administrator on an ongoing basis.

II. CALIFORNIA LIFELINE FIXED-VOIP SERVICE ELEMENTS

All fixed-VoIP service providers must offer the following service elements:

- 1. The provider must offer participants the ability to place and receive voice-grade calls over all distances utilizing the public switched telephone network or successor network.
 - a) The provider must, at a minimum, enable calls to be sent and received within a local exchange or over an equivalent or larger-sized local calling area.
 - b) The provider must provide a voice-grade connection from the participant's residence to the public switched telephone network or successor network.
 - c) The provider must disclose to each participant before activating service that he/she is entitled to a voice-grade connection and the conditions

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under which the participant may terminate service without penalty if one cannot be provided.

- d) If at any time a participant fails to receive a voice-grade connection to the residence and notifies the provider, the provider is required to (1) promptly restore the voice-grade connection, or if not possible (2) provide telephone service to that participant using a different technology if offered by the provider and if the participant agrees. Nothing in these rules alters or modifies the service obligation of a carrier of last resort (COLR) to ensure continuity and functionality of basic service within the residence.
2. The provider must provide free, unlimited access to 911 emergency services, in compliance with current state and federal laws and regulations.
 - a) Each provider must provide its potential and existing participants information regarding its 911 emergency services, in compliance with current state and federal laws and regulations.
 3. The provider must provide for free, one directory listing per year and white pages telephone directory, to participants.
 - a) The provider shall include a participant's listing for free in the local white pages telephone directory as a default unless the participant affirmatively requests to have the number unpublished.
 - b) The provider shall include a participant's listing for free in the directory listing as a default unless the participant affirmatively requests to have the number unlisted.
 - c) The provider must provide participants the option to receive a free printed paper copy of the white pages directory instead of an electronic copy covering the local community where the participant resides if the provider publishes the white pages directory in both printed and electronic forms. Some service providers may provide electronic delivery

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i.e., by CD-ROM or by on line access, of the free white pages directory pursuant to Resolution T 17302. However, participants may contact the provider to affirmatively elect to receive a printed paper copy instead of an electronic copy of the free white pages directory.

4. The provider must abide by the following additional billing provisions.
 - a) The provider must offer at least one California LifeLine plan that meets or exceeds the California LifeLine service elements, and is not bundled with any video or data services. The provider may offer added features and/or enhanced service elements without additional charge(s).
 - b) The provider shall apply the applicable California LifeLine discount to the participant's selected plan.
 - c) The provider must offer California LifeLine discounted services on a non-discriminatory basis to any consumer residing within the service territory where the provider offers retail residential telephone services. The provider must only provide California LifeLine discounts to consumers that are approved by the California LifeLine Administrator.
 - d) The provider must offer an option with monthly rates and without contract or early termination penalties.
 - e) The provider may offer features and/or enhanced services in plans that could potentially be eligible for California LifeLine support, if the plans meet or exceed the California LifeLine minimum standards set by the CPUC. However, providers must not obligate participants to also subscribe to service bundles that require subscription to data and/or video services as a condition of receiving the California LifeLine discounts.
5. The provider must offer access to California Relay Service pursuant to Public Utilities Code § 2881 for deaf or hearing-impaired persons or individuals with speech disabilities.

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6. The provider must provide participants free blocking for 900/976 information services and a one-time free billing adjustment for 900/976 information services related charges inadvertently or mistakenly incurred, or without authorization.
7. The provider must provide free access to operator services.
8. The provider must provide the ability to receive free, unlimited incoming calls.
9. The provider shall prominently disclose and disseminate terms and conditions, including their rates and charges, and fees associated with purchasing additional minutes, 911 emergency services location accuracy and reliability standards as required in basic service element number I.2.(d) in Appendix A of Decision 12-12-038, potential service coverage and service quality issues, back-up power considerations, and safety related considerations caused by outages, latency, and jitter. Additional disclosures must state that participants are entitled to a voice grade connection, identify conditions under which participants may terminate service without incurring an early termination fee or penalty, charges or fees associated with using operator services, and describe the impact of terminating fixed-VoIP service for contracts that exceed one year, e.g., the consumer will be subject to the retail rates charged by the service provider and any applicable early termination fees.
10. The provider must provide access to local directory assistance (DA). Each provider shall offer to its participants the same number of free DA calls that the provider provides to its retail customers.
11. The provider shall offer and file a schedule of California LifeLine service rates and charges.
12. The provider must provide free, unlimited access to 800 or 800-like toll-free services.

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13. The provider must provide free, unlimited access to customer service for information about California LifeLine, service activation, service termination, service repair, and bill inquiries. Calls to the provider's customer service shall not count against the participant's allotted voice minutes or number of calls.
14. The provider must provide free, unlimited access to customer service representatives fluent in the same language (English and non-English) in which California LifeLine was originally sold or marketed. Calls to the provider's customer service shall not count against the participant's allotted voice minutes or number of calls.
15. The provider must provide free access to Toll-Blocking Service.
16. The provider must provide free access to Toll-Control Service, but only if (i) the provider is capable of offering Toll-Control Service, and (ii) the California LifeLine participant has no unpaid bill for toll service.
17. The provider must provide access to two California LifeLine discounted telephone lines to Deaf and Disabled Telecommunications Program participants or teletypewriter users.
18. The provider must provide free access to the California Relay Service via the 711 abbreviated dialing code.

III. CALIFORNIA LIFELINE PROGRAM RULES AND REQUIREMENTS

All fixed-VoIP service providers authorized to participate in California LifeLine must comply with all CPUC decisions, orders, and resolutions associated with the California LifeLine Program, including, but not limited to the following:

A. General Order 153

(http://docs.cpuc.ca.gov/WORD_PDF/GENERAL_ORDER/154648.pdf)

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GO 153 sets forth rules and requirements of the California LifeLine program. Rules include filing schedules of rates and charges; written and oral communications with residential customers; in-language communications; residential customers' and service providers' eligibility to participate in the program; transmission and sharing of information for purposes such as eligibility determination, de-enrollment, and reimbursement of claims; California LifeLine service elements, rates, and charges; reimbursement methodology and amounts; claims-related requirements and process; surcharge-related requirements and process; audits; and record retention.

B. January 2014 CPUC California LifeLine Decision, D. 1401036

(<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M086/K541/86541587.PDF>)

C. Any additional rules that the CPUC adopts for fixed-VoIP service providers after the completion of this phase of the California LifeLine proceeding (R.11-03-013)

IV. OTHER APPLICABLE CPUC RULES AND REQUIREMENTS

All fixed-VoIP service providers must comply with the following CPUC rules and requirements:

OTHER APPLICABLE GENERAL ORDERS

A. General Order 66-C (Procedures for obtaining information and records in the possession of the Commission and its employees and Commission policy orders thereon)

(<http://docs.cpuc.ca.gov/PUBLISHED/Graphics/644.PDF>)

B. General Order 96-B (Rules for filing and publishing tariffs for gas, electric, telephone, telegraph, water and heat utilities)

(http://docs.cpuc.ca.gov/PUBLISHED/GENERAL_ORDER/164747.htm)

C. General Order 107-B (Privacy of telephone communications)

(<http://docs.cpuc.ca.gov/PUBLISHED/Graphics/567.PDF>)

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- D. General Order 133-C (Rules Governing Telecommunications Services Service Quality)
(<http://docs.cpuc.ca.gov/PUBLISHED/Graphics/110984.PDF>)
- E. General Order 168 (Consumer Bill of Rights Governing Telecommunications Services. Market Rules to Empower Telecommunications Consumers and to Prevent Fraud.)
(<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M089/K440/89440106.PDF>)
- F. All CPUC decisions and resolutions that put in place General Orders 66-C, 96-B, 107-B, 133-C, and 168.

RESOLUTION PROCESS FOR VOIP SERVICE CONSUMER RELATED COMPLAINTS, ISSUES, AND APPEALS

- A. All fixed-VoIP service providers shall make available to the public and employ the following CPUC complaint resolution processes:
 - i. Consumer Affairs Branch's (CAB) informal complaint process
(<http://www.cpuc.ca.gov/PUC/aboutus/Divisions/CSID/Consumer+Affairs/>);
 - ii. Administrative Law Judge Division's expedited complaint process;
 - iii. Formal complaint process under Article 4 of the Commission's Rules of Practice and Procedure
(http://docs.cpuc.ca.gov/published/RULES_PRAC_PROC/70731.htm);
and
 - iv. Safety and Enforcement Division's (SED) investigation process via an Order Instituting Investigation (OII).
- B. Types of consumer complaints may include, but not limited to the following:
 - i. Application of the California LifeLine discounts;
 - ii. California LifeLine service rates and charges;
 - iii. California LifeLine service terms and conditions;
 - iv. California LifeLine service elements;

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- v. Compliance with California LifeLine Program rules and other applicable rules;
 - vi. Application of California LifeLine Program eligibility and renewal rules;
 - vii. Compliance with service quality standards;
 - viii. Violations of consumers' bill of rights delineated in GO 168; and
 - ix. Disclosures.
- C. Recourse and remedy must be consistent with applicable state and/or federal rules.

DATA REQUESTS AND REPORTS

- A. All fixed-VoIP service providers must respond to CD's data requests within 10 business days of the request. Fixed-VoIP service providers may request an extension of time from CD and the request shall be no more than 30 days from the original due date. CD may request the following types of information from fixed-VoIP service providers:

TYPE OF INFORMATION	PURPOSE
Phone bills and administrative expenses	Substantiate claims for reimbursement
Written and verbal communications with consumers	Enforcement + Waste, Fraud, and Abuse Prevention
Business operations processes and methods	Enforcement + Waste, Fraud, and Abuse Prevention
All aspects of enrollment process and methods	Enforcement + Waste, Fraud, and Abuse Prevention
California LifeLine related complaints and trouble tickets	Enforcement + Waste, Fraud, and Abuse Prevention
Privacy compliance with CPNI rules and breaches	Enforcement
California LifeLine related usage/plan information	Substantiate claims for reimbursement + Potential program enhancement

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- B. All fixed-VoIP service providers must prepare and submit to CD the following types of reports, which vary in frequency:
- i. Schedule of Surcharge Remittance (monthly)
 - ii. Customer Trouble Tickets Report for both retail and California LifeLine services (quarterly)
 - iii. Schedule of Rates and Charges (annual + advice letters)
 - iv. Affiliate Transactions Report (annual)
 - v. Operational and Financial Report (annual)
 - vi. Residential Service Geographical Survey (annual)

WITHDRAW/TRANSFER/EXIT REQUIREMENTS

- A. To withdraw or transfer California LifeLine services and/or relinquish California LifeLine authority, a fixed-VoIP service provider must comply with GO 96-B exit requirements.
- B. File an application with the CPUC (*See* GO 96-B, Industry Rules 8.5 and 8.6).
- C. Provide a 30-day notice to program participants prior to withdraw or transfer of services (*See* GO 96-B, Industry Rules 3, 3.1, and 3.2 for types of information to include in the notice).