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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 NOTICING PREHEARING  
CONFERENCE TO RECEIVE COMMENT ON PRIORITIZATION OF  
OUTSTANDING ISSUES REMAINING FROM PHASE I FOR CONSIDERATION  
IN PHASE II BY THE PUBLIC, MEMBERS OF THE LOW INCOME  
OVERSIGHT BOARD AND PARTIES**

This ruling sets a Prehearing Conference (PHC) to receive comment from all parties, members of the Low Income Oversight Board (LIOB), and the public regarding the prioritization of outstanding issues remaining from Phase I, excluding issues related to Voice over Internet Protocol Providers (VoIP), and other issues for consideration during Phase II of this rulemaking. This PHC will be held at 1:30 p.m. on Thursday May 28, 2015 in the Sacramento City Hall Council Chambers, 915 "I" Street, Sacramento, California 95815. The PHC shall run concurrently with the quarterly meeting of the Low Income Oversight Board (LIOB).<sup>1</sup>

The PHC will begin at 1:30 p.m. with time reserved for comment by the public and LIOB members followed by comment by parties on the prioritization of issues remaining from Phase I, excluding issues related to VoIP, for

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<sup>1</sup> The LIOB advises the Commission on low-income ratepayer issues. For more information on the LIOB, see its website: <http://www.liob.org>. The agenda and meeting information for quarterly meeting of the LIOB can be found in Applications 14-11-007, 14-11-009, and 14-11-011.

consideration during Phase II of this rulemaking. The California LifeLine Program (California LifeLine) was designed to ensure that basic telephone service remains affordable for low-income Californians. In March 2011, the California Public Utilities Commission (the Commission) opened this rulemaking to make revisions to California LifeLine. On January 16, 2014, the Commission issued its Decision Adopting Revisions to Modernize and Expand the California LifeLine Program, Decision (D.) 14-01-036. That decision is the first substantive decision in this proceeding and applies to all extant California LifeLine providers and to those eligible to participate as Phase I providers under the newly adopted rules.

The Commission seeks comment from the parties, public, and members of the LIOB regarding California LifeLine as it has operated since adoption of D.14-01-036. In addition, the Commission asks parties to specifically address the prioritization of issues remaining from Phase I of this rulemaking for the Commission's consideration. D.14-01-036 identified the following issues to be addressed in Phase II:

- a. General Order (GO) 153 revisions to reflect D.14-01-036 policies and requirements;
- b. Streamlining the process for seeking and receiving Eligible Telecommunications Carrier (ETC) status and for updating the terms and conditions associated with being designated an ETC;
- c. Implementation of the California LifeLine Program to enable access for low-income households without a Social Security Number;
- d. Creation of an alternative application process whereby consumers may begin the application process with the California LifeLine Administrator instead of the California LifeLine provider;

- e. Exploring possible efficiencies in program administration;
- f. Studying possible improvements in the appeals process for California LifeLine eligibility determinations;
- g. Exploring outreach strategies and the role of community-based organizations;
- h. Studying the impact of service connection/activation and conversion discounts on the program;
- i. Investigating concerns related to applicants' and participants' privacy;
- j. Exploring the quality of California LifeLine customer service support received by participants if independent third-party retailers sold the California LifeLine service;
- k. Exploring how consumers with disabilities may receive California LifeLine information in accessible formats;
- l. Considering how service suspension for non-payment may be another trigger for ending the N11 obligation;
- m. Considering the methods to assess the degree of achievement of universal service, including telephone participation rates by income, ethnicity, and geography; and
- n. Determining the mechanics of providing access to two California LifeLine discounted telephone lines to Deaf and Disabled Telecommunications Program participants or teletypewriter users.

In addition to the above issues, Communications Division staff (Staff) also suggest adding the following issues for consideration as a result of the pending Petition for Modification of D.14-01-036 filed by Cox California Telecom, Staff observations of the California LifeLine marketplace, and input from stakeholders:

1. Other necessary GO 153 revisions to reflect the Commission's adopted policies and requirements prior to D.14-01-036;

2. Elimination of the payment floor in calculating the specific support amount recovery;
3. Weighted Average Revision;
4. Elimination of the unbundling requirement for data when California LifeLine-eligible service packages offer a data component at no additional charge;
5. Exploring possible ways to enable applicants with no income or who are unable to produce income documentation necessary to prove eligibility to receive the California LifeLine discounts;
6. Whether consumers are informed during the application process that they are eligible to participate in only one California LifeLine program;
7. Consumer protection; Customer service issues; and
8. Standards for ETCs and/or ensuring high quality, reliable and affordable service.

We seek comments from all parties and members of the public on how the Commission should prioritize its consideration of the above-listed issues, and address any other issues that parties and the public believe merit Commission review given experiences with the California LifeLine since implementation of D.14-01-036 began. Parties may file written prehearing statements. PHC Statements shall be filed and served no later than May 22, 2015. A Scoping Memo will be issued after the hearing and consideration of prehearing statements.

**IT IS RULED** that:

1. Commissioner Catherine J.K. Sandoval will hold a Prehearing Conference concurrently with the quarterly meeting of the Low Income Oversight Board on May 28, 2015, in the Sacramento City Hall Council Chambers, 915 "I" Street, Sacramento, California, 95815 at 1:30 p.m.

2. The Prehearing Conference shall begin with an opportunity for the public and members of the Low Income Oversight Board to comment on the California LifeLine Program and conclude with party comment regarding the prioritization of issues remaining from Phase I of this rulemaking, excluding issues related to Voice over Internet Protocol Providers for consideration during Phase II of this rulemaking and discussion of issues identified by Communications Division Staff.

3. Parties may file written Prehearing Conference (PHC) Statements. PHC Statements shall be filed and served no later than May 22, 2015.

Dated May 15, 2015, at San Francisco, California.

/s/ KATHERINE KWAN MACDONALD  
Katherine Kwan MacDonald  
Administrative Law Judge