CJS/KK3/lil 9/22/2016

FILED
9-22-16
01:55 PM

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)

ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGE'S RULING REQUESTING COMMENTS ON WORKSHOPS AND FEDERAL COMMUNICATIONS COMMISSION'S THIRD REPORT AND ORDER, ISSUING DATA REQUESTS

Summary

This Administrative Law Judge and assigned Commissioner Ruling: 1) clarifies the application of the reinstated California LifeLine Program (California LifeLine or the Program) discounts and reimbursements for service connection/activation charges for California LifeLine wireless telephone services; 2) poses a set of questions on which parties can comment regarding a 60-day discount transfer freeze for California LifeLine wireless telephone services to harmonize California LifeLine with the newly revised federal Lifeline program; 3) issues a data request to which California LifeLine wireless telephone service providers must respond; 4) identifies a set of topics and questions on which parties can comment for the California Public Utilities Commission's consideration; and 5) incorporates the Commission's Communications Division's and the California LifeLine Administrator's workshop presentation, attached hereto as Attachment B, into the record of this proceeding.

1. Background

The California Public Utilities Commission (Commission) designed the California LifeLine Program (California LifeLine or the Program) to ensure that basic telephone service remains affordable for low-income Californians. In March 2011, the Commission opened this rulemaking to make revisions to the California LifeLine Program. On January 16, 2014, the Commission issued Decision (D.) 14-01-036 Adopting Revisions to Modernize and Expand the California LifeLine Program. On December 24, 2015, the assigned Commissioner issued an Amended Scoping Memorandum and Ruling (Amended Scoping Ruling) establishing the procedural process and scope, including workshops, for the Phase II issues in the proceeding.

On March 24, 2016, the assigned Commissioner issued the Ruling Providing Guidance on Interim Rules Reinstating Reimbursements for Non-Recurring Charges (Guidance Ruling). On April 25 and 26, 2016, the Commission's Communication Division (CD) hosted a California LifeLine Program workshop (Workshop). The Workshop agenda is attached to this Ruling as Attachment A. During the Workshop, CD and the California LifeLine Administrator (Administrator) presented information and posed questions to Workshop participants. On April 27, 2016, the Federal Communications Commission (FCC) issued its Third Report and Order, Further Report and Order, and Order on Reconsideration (FCC Order) in WC Docket Nos. 11-42, 09-197, and 10-90, making significant changes to the federal Lifeline program. The Commission needs to consider the impact the FCC Order may have on the Program and whether changes to the Program are warranted.

2. Clarification of the Applicability of the Reinstated Service Connection/Activation Discounts and Reimbursements for California LifeLine Wireless Telephone Services for Two Types of Reimbursable Activities

The Amended Scoping Ruling and Guidance Ruling, reinstated service connection/activation discounts and reimbursements for California LifeLine wireless telephone services of up to $39.00 from the Program, with a limit of two per year per eligible California LifeLine household. The Amended Scoping Ruling limited this reinstatement for California LifeLine wireless telephone services from December 24, 2015, through December 23, 2016, or until the Commission adopts a decision addressing this issue within the scope of the California LifeLine proceeding, whichever comes first. The Guidance Ruling sought to clarify questions and issues raised with respect to the reimbursement of non-recurring charges for California LifeLine wireless telephone service. Program service providers posed additional questions and requests for clarification to the Commission. This ruling seeks to provide additional guidance.

Only a California LifeLine participant's wireless telephone service connections/activations between different California LifeLine wireless telephone service providers during the period from December 24, 2015, through December 23, 2016, or until the Commission's adoption of a decision addressing this issue, whichever comes first, will be eligible for service connection/activation support by the California LifeLine Program, and only for up to two service connections/activations. A California LifeLine participant is eligible for the California LifeLine discounted service connection/activation fee when the participant establishes California LifeLine wireless telephone service for the first time, or when switching from one California LifeLine telephone service provider, whether wireline or wireless, to a California LifeLine wireless telephone service provider. No more than two California LifeLine service connection/activation fees per eligible household will be reimbursed during the period from December 24, 2015, through December 23, 2016. A California LifeLine participant that first established a California LifeLine wireless telephone service connection in January 2016 and then switched in March 2016 to a different California LifeLine wireless telephone service provider would be eligible to receive the California LifeLine discounted service connection/activation fees to cover the connection in January and the subsequent connection in March. However, if this participant switched provider again in, for example, May 2016, that second switch would not be reimbursed.

Changes unrelated to service connection/activation such as changing wireless telephone service plans, phone numbers, or service address updates within the same California LifeLine wireless telephone service provider do not qualify for service connection/activation support.

This Ruling does not apply to California LifeLine *wireline* telephone service providers,[1] nor does it apply to the service connections/activations for California LifeLine wireless telephone services that have already occurred prior to this Ruling and for which eligible reimbursements have been verified by the California LifeLine Administrator.

3. Comments Requested on California LifeLine Workshop

This Ruling seeks comments from parties on the Presentation, on the issues raised and discussed during the Workshop, and on the following:

---

[1] *See* General Order 153 § 8.1.1, which requires California LifeLine Providers to offer California LifeLine with discounted nonrecurring Service Connecting Charge for the initial installation or activation of a single wireline telephone connection at the LifeLine subscriber's principal place of residence.

A. Whether the Workshop changed a party's ranking of the proceeding's priorities, and if so, how;

B. Specific recommendations for the collection of provider-held data regarding consumer complaints, concerns, and the appropriate methodology for gathering and sharing information, such as frequency, format/fields, etc.;

C. Specific recommendations/comments regarding CD's proposed changes to the renewal process;

D. Specific recommendations/comments regarding the assignment of a unique number to each California LifeLine participant;

E. Drafts of "Brief Disclosure Forms" to be used by California LifeLine providers; and

F. Other issues that were raised in the Workshop and/or the materials provided in the Workshop.

Parties that wish to comment may file comments and reply comments on Attachment A, Attachment B, and on the additional questions raised by this Ruling according to the following schedule:

Event	Date
File and Serve Opening Comments	October 7, 2016
File and Serve Reply Comments	October 17, 2016

4. Comments Sought regarding the FCC's Third Report and Order, Further Report and Order, and Order on Reconsideration for the Federal Lifeline Program (Order)

4.1. Policy Considerations and Comments Requested

Since the Workshop, the FCC released its Order,[2] which "takes a variety of actions that work together to encourage more Lifeline providers to deliver

[2] *See In the Matter of Lifeline and Link Up Reform and Modernization et al.*, WC Dkt Nos.11-42, 09-0197, *Third Report and Order, Further Report and Order, and Order on Reconsideration*, (Order), FCC 16-38, (rel. April 27, 2016).

supported broadband services as we transition from primarily supporting voice services to targeting support at modern broadband services."[3] The Order institutes many changes in the federal Lifeline program with uncertain impacts on the Lifeline programs of states offering their own universal service support for basic telephone services. This Ruling invites parties to share their views with the Commission on how the FCC's revisions to the federal Lifeline program, with its reorientation to support broadband internet access services (BIAS) and to transition away from supporting voice telephony services, affects California LifeLine and this Commission's administration of its state LifeLine program and coordination with federal Lifeline.

At a high level, the key policy areas the Commission may need to address as a result of the FCC's Order include: the future role of the California LifeLine Program, the services supported by California LifeLine, the defining characteristics of a low-income household, and the entity tasked with the responsibility of enrolling consumers. More generally, this Ruling invites parties to suggest ways this Commission may advance its decades-old commitment to California LifeLine in light of the FCC's "modernized" federal Lifeline program and California's statutory commitments to universal and affordable telecommunications service including basic telephone service and its policies to promote access to broadband internet access services. Parties' comments may include, but need not be limited to, such features of the federal program as the designation of Eligible Telecommunication Carriers (ETCs) and the newly created subset of ETCs, the Lifeline Broadband Providers, California's support for basic telephone service in light of the federal phase-out of voice-only Lifeline

[3] *Id*. at 6.

support, the role of state third-party administrators in relation to the proposed National Lifeline Eligibility Verifier (National Verifier), California's minimum service elements, affordability issues, efforts to address waste, fraud and abuse, eligibility determinations, the federal Lifeline 60-day discount transfer freeze for voice telephony services, the federal Lifeline 12-month discount transfer freeze for BIAS, and the FCC's time frame for the ambitious transition it set. This Ruling, specifically, asks parties to comment on the following questions:

1. How should the Commission define the characteristics of a low-income household in California? Should they be different or the same compared to the definitions used by the FCC and the methods the FCC adopted to establish income-based or program-based eligibility for federal Lifeline? Should they be different or the same compared to the other low-income assistance programs that the Commission administers? Describe the justification.
2. Should California LifeLine maintain its own eligibility criteria that differ from the federal Lifeline program? If yes, should California conduct two sets of income-based or program-based qualifications, one for federal Lifeline and a separate process for California LifeLine? Describe the justifications.
3. What should happen with the consumers who previously qualified under the eligibility criteria that the federal Lifeline program just eliminated? When should their eligibility end for federal Lifeline discounts? Describe the justification.
4. Should consumers who are eligible for California LifeLine, but not federal Lifeline under the FCC's Order, be allowed to pay for the equivalent federal support and receive the same service or package they receive now as California LifeLine and federal Lifeline participants? Legally, may the Program cover the cost of discounted telephone services for those consumers who are no longer eligible for federal Lifeline, but are eligible under the California standards, and if so, should the Program cover such costs? Describe the justifications.

5. Should the California LifeLine Administrator continue to perform the enrollment process until the transition to the National Verifier? Describe the justification.

6. How should the National Verifier interact with the California LifeLine Administrator after the National Verifier is in place in California? Since the National Verifier is not yet in place, should decisions about this issue be deferred to a Phase III in the California LifeLine proceeding once the National Verifier process is known and operational in other states? Describe the justification.

7. How will the California LifeLine Administrator's role change with the implementation of the National Verifier in California? Should the California LifeLine Administrator continue to exist once a National Verifier is in place? Since the National Verifier is not yet in place, should decisions about this issue be deferred to a Phase III in the California LifeLine proceeding once the National Verifier process is known and operational in other states? Describe the justifications.

8. Currently, investor-owned utilities enroll California's low-income households into the California Alternate Rates for Energy program for their receipt of discounted electric and/or gas bills. For discounted phone bills, the Commission transferred the enrollment responsibilities from the service providers to an independent, third-party administrator. Should there be one entity enrolling California's households into these consumer assistance programs, e.g., California Alternate Rates for Energy, California LifeLine, Family Electric Rate Assistance Program, Energy Savings Assistance Program, and Deaf and Disabled Telecommunications Program, administered by the Commission? If so, describe how this enrolling entity might be created and administered, its legal foundation, and in what time-frame.

9. Should California LifeLine maintain or change the method for determining the start of the California LifeLine discounts? If it should be changed, describe how, and provide the justification.

10. Should the California LifeLine Administrator or the California LifeLine providers load the participants' information into the

new National Verifier? What factors should the Commission consider in transferring participant information?

11. How will the federal Lifeline program's supported services impact the California LifeLine discounts?
12. Should the Commission redefine minimum communications needs for California's low-income households? If yes, describe the justification and redefined minimum needs.
13. What will the likely impact be of any changes in minimum communications needs as defined by California LifeLine on the Program's support and funding?
14. What are "bundled plans" in the FCC's context? Does this mean, simply: a rate plan that includes both voice telephony service and BIAS, or could it include a plan that shares one bucket (for example, a plan that offers 500 units where one unit may equal either one voice minute or one MB)? If it is a rate plan based on units, what benchmarks should the Commission use to make such a plan qualify for California LifeLine support?
15. Does the FCC's Order require California LifeLine providers to review all of their plans with the Commission to designate whether the plan is for a participant using telephone service or broadband internet access service, and if so, when should such a review be done? Since support for voice telephony services phases out under the federal Lifeline program, is it necessary for California LifeLine to distinguish between service offerings meeting the federal Lifeline program's minimum service standards, and to adjust support? If yes, when and how should California LifeLine implement these distinctions?
16. The Commission tentatively concludes that California LifeLine can maintain its renewal process until the launch of the National Verifier in California. Is it legally permissible for the California LifeLine to allow the Universal Service Administrative Company (USAC) to conduct California Lifeline renewals, as well as federal Lifeline renewals, in the meantime? Should the Commission continue to conduct the California LifeLine and/or federal Lifeline renewal process or defer to

USAC to conduct the renewals for the federal program until the launch of the National Verifier in California?

17. If California LifeLine mirrored the federal Lifeline program's renewal process, describe the needed changes.
18. The federal Lifeline program is still developing details regarding who may be impacted by the federal Lifeline program's revised eligibility criteria. What potential changes may be warranted to California LifeLine eligibility criteria during the renewal process beginning in 2017?
19. Should the California LifeLine Program maintain or change how and why participants are removed from the program?
20. Should the California LifeLine Program educate consumers about changes in federal Lifeline? If so, how? What is the responsibility of the federal Lifeline program to educate consumers about federal program rules and changes? Should California's ratepayers bear the cost of this consumer education? What other issues should the Commission address regarding California LifeLine in light of the FCC's Order changing the federal LifeLine program?

4.2. Comments Requested regarding 60-day Discount Transfer Freeze for California LifeLine Wireless Telephone Services

In March 2014, the USAC in its implementation for all states participating in the National Lifeline Accountability Database (NLAD) instituted a 60-day discount transfer freeze on transfers of the federal Lifeline discounts from one federal Lifeline provider to another federal Lifeline provider if the federal Lifeline subscriber has enrolled or has transferred the federal Lifeline discounts within the past 60 days.[4] This 60-day discount benefit transfer freeze limits federal Lifeline subscribers' ability to switch their federal Lifeline discounts with

[4] *See* Order, ¶387.

different federal Lifeline providers "as frequently as once every 60 days."[5] USAC's 60-day discount benefit transfer freeze only applies to consumers who are already approved for and enrolled in the federal Lifeline program.

USAC adopted the 60-day discount benefit transfer freeze for program administration and to ensure that federal Lifeline benefits are paid only once a month to an eligible federal Lifeline subscriber. Consumers in other states aside from California may have had incentive to transfer their federal Lifeline discounts from one federal Lifeline provider to another federal Lifeline provider, for instance, after running out of voice minutes to use with their discounted phone services. The FCC did not adopt minimum service standards for the federal Lifeline program prior to 2016. Many federal Lifeline providers offered only 250 voice minutes a month. In an attempt to satisfy their minimum communications needs some consumers chose to switch federal Lifeline providers in order to acquire more voice minutes. A federal Lifeline subscriber could switch federal Lifeline providers several times, e.g., four times to receive, say, 1,000 voice minutes, within a month after running out of the increments of 250 voice minutes offered by a federal Lifeline provider under the federal program, absent a rule imposing a discount transfer freeze for a specific interval.

The 60-day discount transfer freeze implemented by USAC does not include the time during which the consumer's eligibility for the federal Lifeline program is being determined. Under the current USAC practice, ETCs who provide a handset to a consumer before a confirmed approval for federal Lifeline eligibility bear the risk that the consumer, once approved, may seek services from another ETC.

---

[5] *Id.*

The FCC's Order adopted USAC's practice of a 60-day discount transfer freeze for voice telephony services by requiring that "A provider shall not seek or receive reimbursement through the Lifeline program for service provided to a subscriber who has used the Lifeline benefit to enroll in a qualifying Lifeline-supported voice telephony service offering with another Lifeline provider within the previous 60 days."[6] The FCC adopted a 12-month discount benefit transfer freeze for broadband internet access services. The FCC determined that these two types of discount transfer freezes "will encourage investment and high-quality service offerings in voice telephony service as well as BIAS."[7] Both types of discount transfer freezes are based on the federal Lifeline subscriber's "service initiation date."[8] However, the FCC also adopted certain exceptions[9] to the federal Lifeline program's discount transfer freezes: 1) the federal Lifeline subscriber moves his/her residential address; 2) the federal Lifeline subscriber's current federal Lifeline provider ceases operation or otherwise fails to provide service; 3) the federal Lifeline provider has imposed late fees for non-payment greater than or equal to the monthly end-user charge for the federal Lifeline supported service; and 4) the federal Lifeline subscriber's current federal Lifeline provider is found to be in violation of the FCC's rules during the discount transfer freeze period and the federal Lifeline subscriber is impacted by such violation.

---

[6] *See* 47 C.F.R. § 54.411(b). This particular requirement awaits approval by the Office of Management and Budget.

[7] *See* Order, ¶392.

[8] *See* Order, fn 972.

[9] *See* 47 C.F.R. § 54.411(c). This particular requirement is also subject to approval by the Office of Management and Budget (OMB).

California opted out of NLAD in light of its extensive third-party California LifeLine enrollment and administrative processes. To date California has not adopted any discount benefit transfer freezes for its state program. USAC implemented the discount transfer freeze, in place for more than two and a half years in NLAD states, to prevent duplicative support for the same federal Lifeline subscriber in a month. Because California LifeLine pays California LifeLine providers on a weighted average basis and controls the flow of the California LifeLine discounts between California LifeLine providers, unlike the federal program, California would not have the same potential paying duplicative support as exists with the federal Lifeline program.

This Ruling requests parties comment on the questions below related to the 60-day discount transfer freeze for federal Lifeline discounted voice telephony services offered in California:

1) Should a 60-day discount transfer freeze for federal Lifeline discounted voice telephony services be adopted by the Commission for its current administration of the federal Lifeline program in California to conform to USAC's current administrative practice, and the federal Lifeline program's pending codification of the federal Lifeline discount transfer freezes? Explain why.

2) If the Commission adopted a 60-day discount transfer freeze for federal Lifeline discounted voice telephony services offered in California, when should it be implemented in California? Should California institute this policy prior to OMB approval of the federal Lifeline program's discount transfer freezes to conform to USAC's practice? Why or why not?

3) Should the Commission also implement a 60-day discount transfer freeze for California LifeLine discounted telephone services? Explain why.

4) What are the implications for consumers, competition, and program administration of a 60-day discount transfer freeze for California LifeLine discounted telephone services?

5) Would a 60-day discount transfer freeze for California LifeLine discounted telephone services deter fraud, waste, and abuse? Provide specific examples and data to justify your rationale.

6) Would a 60-day discount transfer freeze for California LifeLine discounted telephone services promote higher investment in high quality California LifeLine services and create benefits to consumers or program administration? Provide specific examples and data to support your contention.

7) Most California LifeLine wireless telephone service providers already offer unlimited minutes of voice, which decreases the incentive for California LifeLine participants to switch California LifeLine providers to get more minutes of voice. Rate plans differ in whether they include BIAS and/or text and how much of each they include, and whether they offer a free handset and what type of handset they offer. Would California LifeLine participants have the same incentive, i.e., to improve services received and to switch California LifeLine providers as exists in the federal Lifeline program? Would California LifeLine participants have other incentives to switch California LifeLine providers, e.g., get a higher BIAS data allocation, more text, or better handset? Why?

8) What would the likely program and administrative costs and burdens be of a 60-day discount benefit transfer freeze for California LifeLine discounted telephone services?

9) Should the support amounts from the federal government and the state work in tandem regarding the discount transfer freeze, or is there administrative or program justifications for having different discount transfer freeze durations or policies? If so, describe.

10) If California implemented a 60-day discount transfer freeze for both federal and California LifeLine supported telephone services, what exceptions should apply to the discount transfer freeze?

11) Should the Commission adopt the same exceptions as the federal Lifeline program for California LifeLine if California adopts a 60-day discount transfer freeze for California LifeLine discounted telephone services?

12) Should the Commission add a fifth exception: if the California LifeLine provider is found in violation of California LifeLine rules during the discount transfer freeze period, and the violation affects the California LifeLine participant, the discount transfer freeze would not apply? Why?

13) Should the Commission add an exception that California LifeLine participants may cancel their California LifeLine services within 14 days of California LifeLine activation if the California LifeLine participants have problems with the handset or service, and communicate the problem(s) to the California LifeLine provider in accordance with the Commission's Decision 14-01-036? If so, why? Would adding this type of exception be out of compliance with the federal Lifeline program's discount transfer freeze rules? How so?

14) Would the exception of the "current provider ceases operation or otherwise fails to provide service" cover situations where a participant is unable to effectively use the discounted service at the participant's home, work, school or other important locations and constitute an effective failure to provide service? What would constitute "failure to provide service"? What would constitute ceasing operations?

15) Should a 60-day discount transfer freeze for California LifeLine discounted telephone services apply only to wireless telephone services and/or to wireline telephone services? What is the rationale for your choice? Would limiting the 60-day discount transfer freeze to certain types of providers be out of compliance with the federal Lifeline program's discount transfer freeze rules?

16) If a 60-day discount transfer freeze were implemented in California for federal Lifeline and/or California LifeLine discounted telephone services, how should federal Lifeline and/or California LifeLine providers inform potential and/or existing California LifeLine participants about the discount

transfer freeze? Should federal Lifeline and/or California LifeLine providers be required to inform potential and/or existing California LifeLine participants orally about the 60-day discount benefit transfer freeze at the time when a consumer may be trying to sign-up for the provider's retail service, unless the exceptions above apply? Should providers be required to distribute written information about the 60-day discount transfer freeze prepared by the Commission's Communications Division and deliver that information to the potential and/or existing California LifeLine participants prior to signing-up for the provider's retail service?

17) If the Commission adopted a 60-day discount benefit transfer freeze for California LifeLine discounted telephone services, which date and activity(ies) would trigger the start of the discount transfer freeze? Should the trigger for the start of the 60-day discount transfer freeze be the date in which the California LifeLine discounts started as determined by the California LifeLine Administrator? Should it be the application date[10] when a consumer expresses interest to be on California LifeLine? Should it be the decision date[11] in which the California LifeLine Administrator notifies the consumer and/or the California LifeLine provider of its eligibility decision?

18) If the Commission adopted a 60-day discount transfer freeze for California LifeLine discounted telephone services upon which date and activit(ies) would trigger the end of the discount transfer freeze?

19) If the Commission adopted triggers for the start and end dates for the discount transfer freezes that did not match with the federal Lifeline program, would California be out of compliance with the federal Lifeline program's discount transfer freeze rules?

---

[10] *See* General Order § 2.4.

[11] *See* General Order § 2.20.

20) With the FCC's adopted requirement that "a provider shall not seek or receive reimbursement through the Lifeline program for service provided to a subscriber who has used the Lifeline benefit to enroll in a qualifying Lifeline-supported voice telephony service offering with another Lifeline provider within the previous 60 days," would consumers actually be able to transfer their federal Lifeline benefits? Would consumers actually have to be without federal Lifeline discounted services for at least 60 days to be able to transfer their discounts absent triggering one of the allowed exceptions?

21) Should California LifeLine adopt any additional restrictions? For example, should California adopt an enrollment request freeze, during which a consumer may not submit a request to participate in the California LifeLine?

4.3. Request for comments on broadband internet access service requirements including voice/broadband bundled service and discount transfer freeze issues

We next note that the FCC phases down support for voice service to $7.25 by 2019, $5.25 by 2020, and $0 by 2021. The FCC shift to BIAS in federal Lifeline and will require mobile ETCs to offer mobile BIAS of at least 3G[12] speeds and 500 megabytes (MB) of usage by December 1, 2016, or 60 days after the federal Paperwork Reduction Act approval, whichever is later. The FCC's Order initiates a process for ETC designation of BIAS providers, although that process has not yet been fully detailed.

In 2016, the FCC adopted a federal Lifeline discount benefit transfer freeze of 12 months for BIAS support under the federal Lifeline program. In order to facilitate market entry for federal Lifeline-supported BIAS offerings, to provide additional consumer benefits, and to encourage competition, the FCC's Order

[12] 3G is generally defined as third generation of wireless mobile technology.

established that "providers may not seek or receive reimbursement through the Lifeline program for service provided to a subscriber who used the Lifeline benefit to enroll in a qualifying Lifeline-supported BIAS offering with another Lifeline provider within the previous 12 months, except in circumstances explained below."

Currently California requires at least 1,000 minutes of voice service and compliance with rules detailed in the D.14-01-036 to receive the full amount of California LifeLine support. California LifeLine does not require BIAS to receive state program support, but allows BIAS to be offered as part of California LifeLine service offerings, which may also include text. We note that in today's California LifeLine market, the majority of California LifeLine wireless telephone service providers offer at least some BIAS and text along with telephone service.

As this is a new FCC requirement, we seek comment regarding the following issues:

1. Whether the Commission should impose a similar 12-month discount transfer freeze on BIAS that may be supported by California LifeLine, and what exceptions should be available to California LifeLine participants. In light of the 12-month discount transfer freeze for BIAS, should the Commission adopt a 12-month discount transfer freeze for CPUC-supported BIAS when offered as part of a bundle with California LifeLine discounted telephone services?
2. If the Commission adopts a 60-day discount transfer freeze for California LifeLine discounted telephone services, should it adopt a parallel 60-day discount transfer freeze for California LifeLine BIAS if both are offered in a bundle? What would be the administrative implications if California LifeLine participants who had telephone service/BIAS bundles faced a 60-day discount transfer freeze for California LifeLine telephone service/BIAS bundles, but a 12-month discount transfer freeze for federal supported BIAS?

3. If California LifeLine is offered in combination with federal Lifeline, will ETCs in California that offer BIAS through the federal program trigger a 12-month discount transfer freeze for federal Lifeline? Should the Commission require ETCs in California to offer an unbundled service offering, one which includes voice telephony services that would only be subject to a 60-day discount transfer freeze? Would a 12-month discount transfer freeze for bundles that include BIAS supported through federal Lifeline also trigger a 12-month discount transfer freeze for the entire bundle including all California LifeLine services such as telephone services?
4. How should a 12-month discount transfer freeze work with the activation/connection fee that allows a carrier serving eligible households that fee no more than two times per year between December 24, 2015 and December 24, 2016, and any future activation/connection fee. Should carriers be eligible for an activation/connection fee if an eligible household establishes service consistent with the 12-month discount transfer freeze? Should the service activation/connection discount be available only if the eligible household switches to a different carrier after 12 months? Is any activation/connection discount appropriate for renewals that do not involve a switch of carrier? Please recommend what rules should apply to the interaction of the service activation/connection discount and a 12-month transfer freeze.
5. Should California LifeLine require some BIAS to receive full California LifeLine support, and if so at what speeds and usage limits? Should BIAS remain optional for California LifeLine since it will be mandatory for federal Lifeline support by the end of 2016? Please discuss the legal authority of the Commission to order the inclusion of BIAS, and the administrative and policy issues raised by any proposal to mandate the inclusion of BIAS for California LifeLine support, whether full or partial.

Parties may file comments and reply comments on the questions raised above according to the following schedule:

Event	Date
File and Serve Opening Comments	October 7, 2016
File and Serve Reply Comments	October 17, 2016

5. Data Request of California LifeLine Wireless Telephone Service Providers

Parties shall respond to the following data requests:

1. Provide information regarding California LifeLine participant usage of voice, domestic message (text), and broadband services. Usage for voice service should be in terms of the average number of minutes per month. Usage for text should be in terms of average number of texts sent and received per month. Usage for broadband service should be in terms of average number of MB used per month. The timeframe for the information should be the year 2015. For those companies that do not offer broadband service or text service these companies need not provide information about usage of broadband or text services for their California LifeLine participants, but must provide information about voice minutes used. For those California LifeLine providers who launched their California LifeLine wireless telephones services in year 2016, provide the information on a monthly basis since your launch.

Month in Year 2015	**Average Number of Voice Minutes Used by California LifeLine Participants**	**Average Amount of Megabytes Used by California LifeLine Participants**	**Average Amount of Texts Sent and Received by California LifeLine Participants**
January 2015			
February 2015			
March 2015			
April 2015			
May 2015			
June 2015			
July 2015			
August 2015			
September 2015			
October 2015			
November 2015			
December 2015			

2. Provide information regarding the volume of calls for the five most commonly called telephone numbers by California LifeLine participants during the year 2015. For those California LifeLine providers who launched their California LifeLine wireless telephones services in year 2016, provide the information to the latest date for which data are available.

Telephone Number Called by California LifeLine Participants	Volume of Calls to the Telephone Number

3. Provide information regarding the volume of calls to N11 numbers and to the three most commonly called toll-free numbers by California LifeLine participants during the year 2015. For those California LifeLine providers who launched their California LifeLine wireless telephones services in year 2016, provide the latest available data.

Telephone Number Called by California LifeLine Participants	Volume of Calls to the N11 Number or Toll-Free Number
211	
311	
411	
511	
611	
711	
811	
911	

California LifeLine wireless telephone service providers shall submit their responses to the Communications Division's Director by e-mail within 15 days of the issuance of this ruling.

IT IS RULED that:

1. A California LifeLine participant shall be allowed no more than two California LifeLine service connections/activations for the period from December 24, 2015 through December 23, 2016, or until the Commission adopts a Decision on this subject in this proceeding, whichever occurs first.
2. Service connections/activations for California LifeLine wireless telephone services that have already occurred prior to this Ruling and for which eligible reimbursements have been verified by the California LifeLine Administrator are not subject to this Ruling.
3. Comments may be filed on the issues raised during the California LifeLine Workshop, Attachment A, Attachment B and the ruling's clarification of the applicability of the reinstated service connection/activation discounts and reimbursements for California LifeLine wireless telephone services set forth in Section 3 of this ruling. Comments are due by October 7, 2016. Reply comments are due on October 17, 2016.
4. Comments may be filed on this ruling. Comments are due by October 7, 2016. Reply comments are due on October 17, 2016.
5. Comments addressing the topics and questions related to the Federal Communications Commission's Order, set forth in Section 5 of this ruling, are due on October 7, 2016, and October 17, 2016, respectively.
6. Information in response to the data request in this Ruling is due to the Communications Division's Director within 15 days of the issuance of the Ruling.

This ruling is effective today.

Dated September 22, 2016, at San Francisco, California.

/s/ CATHERINE J.K. SANDOVAL	/s/ KATHERINE KWAN MACDONALD
Catherine J.K. Sandoval	Katherine Kwan MacDonald
Commissioner	Administrative Law Judge