

**PUBLIC UTILITIES COMMISSION**505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298**FILED**03/26/19
03:12 PM

March 26, 2019

Agenda ID #17330
Quasi-Legislative

TO PARTIES OF RECORD IN RULEMAKING 11-03-013:

This is the proposed decision of Commissioner Guzman Aceves. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's April 25, 2019 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

/s/ ANNE E. SIMON

Anne E. Simon

Chief Administrative Law Judge

AES:xxx

Attachment

Decision PROPOSED DECISION OF COMMISSIONER GUZMAN ACEVES
(Mailed 3/26/2019)

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

**DECISION AUTHORIZING PILOT PROGRAMS OF BOOST MOBILE, INC.
AND iFOSTER, INC. IN THE CALIFORNIA LIFELINE PROGRAM**

TABLE OF CONTENTS

Title	Page
DECISION AUTHORIZING PILOT PROGRAMS OF BOOST MOBILE, INC. AND iFOSTER, INC. IN THE CALIFORNIA LIFELINE PROGRAM.....	1
Summary	2
1. Procedural Background.....	2
2. Factual Background	3
3. Boost Mobile Pilot Program Proposal.....	5
3.1. Description.....	5
3.1.1. Boost Pilot Program Objectives.....	9
3.1.2. Boost Pilot Program Budget	12
3.1.3. Boost Pilot Program Duration	14
3.1.4. Boost Pilot Program Data Collection.....	14
3.1.5. Evaluation Plan for Boost Pilot Program.....	14
3.1.6. Safeguards for Consumers and the Program.....	15
3.1.6.1. Consumer Safeguards.....	16
3.1.6.2. California LifeLine Program Safeguards	17
3.1.7. Boost Pilot Program Payment and Reporting.....	19
3.1.8. Boost Pilot Program Implementation Plan; Activities and Milestones.....	21
4. iFoster Pilot Program Proposal	25
4.1. Description.....	25
4.1.1. Objectives and Key Tenants.....	29
4.1.2. Pilot Program Budget	31
4.1.3. Duration.....	32
4.1.4. Data Collection	32
4.1.5. Evaluation Plan.....	33
4.1.6. Safeguards for Consumers and the Program.....	34
4.1.7. Payment and Reporting	37
4.1.8. iFoster Implementation Plan; Activities and Milestones	38
5. Comments on Proposed Decision.....	38

6. Assignment of Proceeding..... 39
Findings of Fact..... 39
Conclusions of Law 41
ORDER 43

**DECISION AUTHORIZING PILOT PROGRAMS OF BOOST MOBILE, INC.
AND iFOSTER, INC. IN THE CALIFORNIA LIFELINE PROGRAM****Summary**

This Decision authorizes two pilot programs within the California LifeLine Program: 1) Boost Mobile Inc.; and 2) iFoster, Inc. (iFoster). The Boost Mobile pilot program will offer prepaid cell phone plans to approved participants at a discount. Participants in the Boost Mobile pilot program will receive a monthly \$15 discount from the California LifeLine Fund to apply to their choice of prepaid cell phone plans offered by Boost Mobile. The iFoster pilot program will provide California LifeLine discounts to foster youth. Eligible foster youth will receive a smartphone and monthly prepaid cell phone services free of charge.

Both the Boost Mobile pilot program and iFoster pilot program meet the requirements set by the Commission in Decision 18-12-019.

1. Procedural Background

The California Public Utilities Commission (Commission) opened this rulemaking on March 24, 2011. During this rulemaking, the Commission issued several decisions expanding and modernizing the California LifeLine Program (California LifeLine or Program). The Commission concurrently administers the enrollment process for the state and federal universal service programs for low-income households, and thus adopts policies that enable consumers to benefit to the full extent possible from both programs.

Beginning in July 2018, the Commission hosted workshops and public meetings to gather detailed comments from stakeholders and parties about increasing Program participation, the future of California LifeLine given the rapidly changing federal Lifeline program, the use of pilot programs to increase participation by lowering barriers to participation, increasing participation by unserved and underserved communities, increasing the number and types of

service providers offering California LifeLine, and expanding California LifeLine participants' access to widely available retail offerings in the market. In addition to general discussion about the pilot program framework and goals, the workshops included presentations by Boost Mobile (Boost) and iFoster, Inc. (iFoster) on pilot programs that would begin by serving foster youth.

The assigned Administrative Law Judge (Judge) provided opportunities for parties to file comments on the use of pilot programs to explore potential redesign of the Program, both the Boost and iFoster pilot program proposals, as well as other material presented at the workshops. On December 18, 2019, the Commission issued Decision (D.) 18-12-019 establishing the criteria for pilot programs and partnerships within California LifeLine. In this Decision, the Commission authorizes the first pilot programs for California LifeLine.

2. Factual Background

During the summer of 2018, Sprint Corporation, through its wholly owned subsidiary, Sprint Spectrum L.P. (Sprint), submitted a proposed pilot project operating under one of Sprint Spectrum's brand names, Boost Mobile (Boost). Sprint is a facilities-based telephone service provider. Although Sprint has not previously offered California LifeLine discounts on its retail telephone service plans, it is now volunteering to do so with its proposed pilot project. Prior to Sprint's proposal, none of the four largest (in terms of volume of subscribers) nationwide facilities-based wireless telephone service providers have offered any of their retail services to California LifeLine participants. To date, the wireless telephone service providers offering the Program's discounts limit their services only to California LifeLine participants, thus insulating these service plans from competition in the mass communications market. In contrast, wireline telephone service providers offer their retail basic services to all residents in their respective service territories, whether or not they receive the California LifeLine discounts.

Authorizing the Boost pilot program brings the Program closer to the pace at which the communications market is evolving and increases consumer choice and wireless competition in the California LifeLine marketplace for the target populations. The Commission encourages more facilities-based service providers with widely-available retail communications offerings to propose pilot projects to the Commission.

In summer, 2018, iFoster, Inc. also proposed a pilot project for the Commission's consideration. iFoster is a national non-profit organization based in Truckee, California. iFoster works with government agencies, foster care service organizations, foster caregivers, and foster youth to provide the foster youth with the resources and opportunities they need to become successful, independent adults. iFoster seeks to increase accessibility to and participation in the Program by foster youth.

In 2013, iFoster began educating the Commission regarding foster youth and the unique barriers that they face in receiving the California LifeLine discounts. During the August and September 2018 Workshops, iFoster presented additional information about foster youth and suggested designs for a pilot program. iFoster has extensive experience assisting foster youth, coordinating with government agencies, administering projects nationwide funded by grants, and helping consumers participate in the Program. iFoster's experience supports augmenting its operations to benefit the foster youth interested in receiving the Program's discounts.

iFoster will serve as a Program administrator using a holistic approach leveraging existing partnerships and developing new partnerships with local government agencies, educating consumers about the Program, assisting consumers in completing the application, determining a consumer's eligibility, serving as a distribution channel for cell phone devices and services, providing

technical support for consumers in the pilot program, and assisting in the evaluation of the pilot program. iFoster will serve as the stable and constant entity engaging with foster youth throughout the pilot program. iFoster, in conjunction with County Child Welfare Directors, will support and facilitate the development and deployment of a comprehensive outreach, education, and registration process for foster youth based on the unique needs and vulnerabilities of this population.

Boost and iFoster have worked extensively with the staff¹ for several months on their proposed pilot programs. As noted above, stakeholders provided feedback about these two proposed pilot projects through workshops and comments filed in this proceeding. We describe both authorized Boost Mobile and iFoster pilot programs below. Both pilot programs will be governed by the rules and procedures set forth in this Decision. General Order (GO) 153 and other California LifeLine Program rules will not apply to these pilots.

3. Boost Mobile Pilot Program Proposal

3.1. Description

The Boost Mobile pilot program proposes to distribute single-use promotion codes that will provide a \$15.00 per month discount to qualified consumers toward the purchase of any of Boost's prepaid cell phone plans for up to two years. The Boost promotional code will apply to a single line of service.

D.18-12-019 required that pilot program proposals contain a specific statement of concern or problem the pilot program seeks to address. The Boost pilot program seeks to improve: 1) low participation rate of low-income households in the California LifeLine Program; 2) low renewal rates of California

¹ All references to "Staff" refers to Communications Division staff unless otherwise specified.

LifeLine participants; and 3) confusing intake experience of consumers as they try to participate in the Program.

The Boost pilot program will test these Program elements: 1) categorical eligibility for consumers served by Boost Project Members; 2) decrease barriers to entry (and retention) for a service provider to pass the Program discounts to low-income households; 3) streamline application and renewal processes for the consumer; and 4) coordination of enrollment with government agencies to administer the Program.

The Boost pilot program complies with the tenets of innovative components and technologies because it will: 1) change how low-income consumers receive the California LifeLine discounts; and 2) avail consumers of all the service plans and devices offered by Boost. All of Boost's prepaid cell phone plans include broadband services. The consumer simply applies the Boost promotion code to the selected service plan.

Currently, most California LifeLine participants receive the Program-funded cell phone services and wireless handsets at no cost. The Boost pilot program differs because the consumer will pay for a portion of their service plan, specifically, for any costs beyond the \$15 monthly support from the Program. Additionally, unless the consumer brings a compatible cell phone or the Commission subsidizes the cell phone, the consumer will also need to pay for the cell phone.

Sprint's Boost brand sells only prepaid cell phone services, thus a consumer must pre-pay for services each month before receiving them. Boost offers various wireless service plans; each plan provides unlimited talk and text with varying data allowances. Boost is not creating unique service plans for this pilot program but is offering all plans that they currently sell in the marketplace. Approved consumers in the pilot program can purchase any of the plans offered

by Boost giving them the freedom to choose service plans that are similar to the plans offered to other consumers. Consumers in the pilot will be encouraged to choose the lowest cost Boost service plan. Boost's least expensive prepaid service plan costs \$35 per month for 3GB of 4G LTE.

The Boost pilot program changes how consumers receive the California LifeLine discounts by use of a promotion code. This pilot program also alters the way that consumers become and stay eligible for the Program's discounts. The Commission and/or the Program (not Boost) will select the entities that can disseminate the promotion codes. These entities will be called "Boost Project Members." The Program and/or Boost Project Members will determine which consumers can receive the promotion codes, and then disseminate the promotion codes to the eligible consumers. Distribution for these promotion codes will be controlled by the Program and/or Boost Project Members. Boost Project Members will help educate and provide the California LifeLine discounts from the Boost pilot program to eligible consumers.

This Decision identifies these Boost Project Members: iFoster, the Commission, and the San Francisco Human Services Agency (SFHSA). Other local governments aside from San Francisco may be interested in partnering with the Program and/or becoming Boost Project Members. Staff has the discretion to continue collaborating with local governments, the California Department of Social Services, California Department of Health Care Services, and California Labor and Workforce Development Agency to establish partnerships with these government agencies as well to potentially bring them on as Boost Project Members.

Boost's utilization of these new partnerships with community-based organizations and government agencies for distribution of the California LifeLine discounts to California's low-income population, including the

underserved or unserved consumers the pilot seeks to reach, support the key tenet of new partnerships set forth in D.18-12-019. The Commission determined that these partnerships with government agencies will implement categorical eligibility, coordinated enrollment processes, data exchange of participants' information, and/or synchronized outreach efforts between California LifeLine and their consumer programs.

This Boost pilot program will facilitate categorical eligibility for the groups of consumers that the Commission has selected as described below. For example, D.18-12-019 required staff to establish categorical eligibility and a coordinated enrollment process with San Francisco County. The Boost pilot program's design meets these Commission requirements. As the Commission recognized in D.18-12-019, the scope of each partnership may vary based on the approach a government agency initiates, develops, or maintains a partnership with the Commission.

Through the Boost pilot program, the Commission will implement solutions to certain California LifeLine issues that may benefit consumers and California LifeLine. Consumers will have more choices of service plans that include broadband services, cell phone devices, and service providers. Additionally, consumers in the Boost pilot program can leverage the partnership between Comcast and Boost. Comcast developed a specific prepaid offering for discounted home broadband service to Boost subscribers. Consumers will also have a stable and reliable access to the physical locations of Boost's stores. Moreover, the Boost pilot program facilitates a consumer's Program participation by using a promotional code to initiate service. The Boost pilot program furthers California LifeLine's effort in facilitating market access of additional service providers to the California LifeLine marketplace. It also will provide the Commission with robust data to analyze consumers' spending habits,

preferences, and utilization of various types of services of voice, data, and text messaging.

3.1.1. Boost Pilot Program Objectives

D.18-12-019 required that proposals identify at least two of the listed objectives. Boost's proposal seeks to address all four of the Commission's identified objectives.

First, the Boost pilot program encourages Program participation by facilities-based service providers that offer telephone and/or broadband internet access. As noted above, Sprint, a facilities-based service provider adds their Boost brand into the Program offerings thereby expanding the options available to Program participants. Boost volunteers to participate in this pilot program and will offer its retail service plans under the premise that closely aligns with its existing business model and regulatory liabilities.

Second, the Boost pilot program also seeks to lower barriers to entry (and retention) for consumers to participate in the Program by streamlining enrollment. Enrollment will not be based on commissions since the Program and Boost Project Members will control the authorized recipients of the promotion codes. When a consumer chooses to join the Boost pilot program, that consumer will remain eligible to participate in the pilot program throughout the pilot's duration. Participants in the pilot program remain in the pilot program if they pre-pay their cell phone plan. If, at some point, the participant leaves the pilot, *e.g.* inability to pre-pay for service, that consumer can re-join the pilot again at a later time with a different promotion code. Such consumers may re-join the pilot program unless or until the pilot is fully subscribed at 350,000 participants when the consumer attempts to rejoin the pilot. This new approach that maintains the consumer's eligibility to retain California LifeLine discounts may potentially improve retention rates. The streamlined experience for consumers to receive

and to keep the Program's discounts and Boost's limited administration responsibilities to pass through the Program discounts are key incentives for Boost's voluntary participation.

Before the Commission launched California LifeLine wireless telephone services in March 2014, California LifeLine participation decreased for more than 6.5 consecutive years. By September 2015, about 2.25 million people participated in the Program. Since September 2015, however, the Program experienced a steady decline in participation. By the end of January 2019, enrollment declined to 1.7 million participants. The Program is exploring multiple approaches to address the declining participation one of which is implementing this pilot. This will move California LifeLine participation closer to the previous participation level of 2.25 million while enabling other pilot programs or California LifeLine efforts to contribute to improving the participation rate.

As a third objective, the Boost pilot program intends to increase participation in California LifeLine overall and in particular, by unserved and underserved consumers such as foster youth, English language learners, and consumers with disabilities. This Decision establishes consumers' eligibility criteria, application process, and renewal process that are wholly different and separate from the existing Program's rules and processes. The Boost pilot program's first priority group is California's foster youth (see iFoster pilot project below in Section 4). This Decision also authorizes other groups of consumers that the Boost project will reach such as clients served SFHSA and participants in the Commission's California Alternate Rates for Energy (CARE) Program, to participate in the Boost pilot.

We anticipate identifying, adding, or launching additional consumer sectors that are currently unserved or underserved by adding new Boost Project Members to reach those consumers. The Boost pilot program intends to reach

Californians receiving public assistance (services and resources) from government agencies and the Commission's other public purpose programs. As we add more Boost Project Members to the pilot program, the consumers served by these additional Boost Project Members can also receive the Program's monthly discounts. We determine that consumers served by any of the Boost Project Members' public assistance programs as eligible to join the pilot program to receive the California LifeLine discounts, thus eliminating the need for consideration or adoption of another Commission decision to simply expand a consumer's eligibility to join the Boost pilot program. The Boost pilot program will deem the consumers served by Boost Project Members' public assistance programs as eligible for the California LifeLine discounts via this pilot.

Regarding the fourth objective, Boost offers its pilot program as a scalable solution for California LifeLine. The Boost pilot program will apply the eligibility determinations made by government agencies to identify consumers who are eligible for public assistance based on special circumstances or limited incomes and provide those consumers with California LifeLine discounts. For example, the SFHSA helps over 250,000 San Franciscans because more than one in four San Francisco County residents are at risk of not meeting their basic needs such as access to food, health insurance, or supportive care.² In contrast, as of June 30, 2017, there were 50,207 California LifeLine participants in San Francisco County. The Boost pilot program will deem the low-income recipients of SFHSA's 60+ services and resources as eligible for the California LifeLine discounts.

The Boost pilot program will also use the eligibility determinations of the CARE Program to implement coordinated enrollment between CARE and the

² See www.sfhsa.org

California LifeLine Programs which this Commission has long sought to accomplish. Based on information from the energy utilities (Pacific Gas and Electric Company, Southern California Edison, and Sempra Energy), as of March 16, 2019, CARE had about 4.49 million participants with approximately an 88% participation rate. The Legislature and the Commission consider these millions of CARE participants as low-income households deserving of financial support to lower the cost of their utility bills. The Commission previously attempted to coordinate the eligibility criteria and enrollment for both the California LifeLine and CARE Programs. Consistent with the partnership levels (*i.e.*, categorical eligibility, coordinated enrollment process, data exchange of participants' information, and/or synchronized outreach efforts), which the Commission identified in D.18-12-019, the Boost pilot program will deem CARE participants as eligible for the California LifeLine discounts.

3.1.2. Boost Pilot Program Budget

This Decision sets a goal of availing the California LifeLine discounts to 350,000 low-income consumers within the pilot program. Boost will provide promotion codes to consumers in this pilot program with a participation cap of 350,000 eligible consumers at any given time for the duration of the pilot. California LifeLine will reimburse Boost when a consumer in the pilot program uses the promotion code to lower the cost of the monthly service plan. The Boost pilot program will use a California LifeLine subsidy amount of \$15 per month for each consumer in the pilot program unless otherwise authorized by the Commission. Boost is not requesting reimbursement for operational expenses in implementing this pilot program. No additional budget is required for the energy utilities' administration as necessary data exchange of participants'

information is not a new requirement per this Boost pilot.³ Further, no additional effort, for example for coordinated enrollment process and/or synchronizing of outreach efforts, requiring energy utility budget or staffing is expected.

There may be Boost Project Members added to the Boost pilot program that advocate for a higher California LifeLine subsidized amount of \$15 per month for the pre-paid service plan and/or for each consumer in the pilot program. Moreover, there may be Boost Project Members that want a California LifeLine subsidized amount per consumer in the pilot program for lowering the cost of a cell phone. For example, as described in the iFoster pilot program below, iFoster proposed that foster youth in its pilot program receive both the monthly pre-paid service plan and the cell phone at no cost. For the Boost Project Members that advocate for subsidies beyond the \$15 per month per consumer in the pilot program, we will seek stakeholder input prior to issuing a proposed decision for stakeholder comment and Commission consideration.

The total cost of the Boost pilot program depends upon the number of Boost Project Members the Commission identifies and secures for this pilot program, consumer demand for Boost's prepaid cell phone plans and devices, and the consumer's willingness to pay. The Boost pilot program will potentially provide the \$15 monthly discounts to a maximum of 350,000 participants at any given time. If a participant drops out of the pilot, they can rejoin the pilot by getting another promotion code provided they still meet the eligibility criteria and the number of active participants is below the maximum of 350,000. Leaving the pilot will not adversely affect the consumer's ability to rejoin the pilot later.

³ In D.17-10-009 the Commission authorized the energy companies administering CARE to share their participants' information with California LifeLine.

Once a consumer joins the pilot program, that consumer counts as a part of the cumulative total. Staff estimates that the total pilot program cost could be up to \$126 million ($\$15 \times 24 \times 350,000$). We will closely monitor the cumulative number of consumers in the pilot program.

3.1.3. Boost Pilot Program Duration

Each Boost Project Member will each have up to a two-year duration within this pilot program. Members will join the Boost pilot program at various points in time as the Commission adds members to this pilot program. The two-year period starts for each Boost Project Member when it starts disseminating the Boost promotion codes. The Boost pilot program will have multiple stages in terms of onboarding of Boost Project Members. Boost can simultaneously support multiple groups of consumers/Boost Project Members and can onboard each group/Boost Project Member approximately every four to six weeks. Either the Commission or Boost may terminate the pilot program at any time and for any reason by giving the other party a 30-day written notice of such termination.

3.1.4. Boost Pilot Program Data Collection

Boost will collect these metrics: activation rate, churn rate, tenure in the pilot program, activation date, promotion code redemption rate, service offerings chosen, a consumer's name and address, and usage behavior for the selected service plan and for any add-on purchases/spending trends. The frequency of reporting of data collected varies. See the section on payment and reporting in section 3.17 below.

3.1.5. Evaluation Plan for Boost Pilot Program

Boost intends to provide the pilot program information to Commission staff for use in evaluation of this pilot program consistent with Pilot Program Evaluation requirements described in Section 4.4 of D.18-12-019. The

Commission staff shall evaluate the data collected and reported by Boost, data provided by the Boost Project Members, and the costs borne by the Program for the Boost pilot program. Staff has the discretion to include other available data to evaluate the Boost pilot program's performance.

Staff shall present its analysis and may share anonymized data publicly as the Commission identified in D.18-12-019. As a part of the evaluation plan, staff will describe the Boost pilot program's performance, identify and share best practices and lessons learned, and provide recommendations to the Commission and stakeholders. Boost agrees to provide and report the metrics listed in "Boost Pilot Program Data Collection" immediately above. Although Boost's role in the evaluation of this pilot program is limited to providing data, Boost agreed to continue their collaboration with staff and Boost Project Members regarding all facets of this pilot program from launch to the conclusion.

3.1.6. Safeguards for Consumers and the Program

Since this pilot program seeks to increase California LifeLine participation by testing different methods and strategies, GO 153 and other Program rules will not apply to the Boost pilot for the duration of the pilot period. Instead, the Boost pilot will be subject to the rules and procedures set forth in this Decision.

Sprint shall submit an information-only letter to the Commission's Communications Division within 90 days of this Decision's effective date describing the service plans that are included in the Boost pilot program. Sprint shall update the Commission's Communications Division with another information-only letter when it changes its service plans. The information-only letter will include the same information required by Section 3 of GO 153. The Boost pilot program will implement streamlined enrollment and renewal processes, including how consumers' eligibility will be determined, that are

different from the existing Program. Therefore, Sections 4, 5, and 6 of GO 153 do not apply for the Boost pilot program.

The Boost pilot program neither creates unique service plans nor requires specific rates for California LifeLine. Boost will make available all its prepaid cell phone plans for the California LifeLine discounts via a promotion code. We note that since Boost is a prepaid wireless service provider, most of the rules regarding rates and charges in Section 8 of GO 153 also do not apply. Therefore, Sections 7 and 8 of GO 153 do not apply for the Boost pilot program.

The Boost pilot program only includes reimbursement of \$15 per month per subscriber (except in those instances the Commission authorizes additional support such as foster youth) and Boost is not requesting reimbursement for operational expenses or other costs borne by subscribers. Participants in the Boost pilot program will be subscribing to Boost's retail plans, the prices of which include surcharges. Additionally, this Decision specifies the payment and reporting requirements under which we hold the Boost pilot program accountable. Therefore, Sections 9, 11, and 13 of GO 153 will not apply to this Boost pilot program. The second discount for TTY-users or DDTP participants and the customer service language requirement will not apply to the Boost pilot program. Millions of consumers already subscribe to telephone service in the retail market without customer service language requirements. Although the Commission waives California LifeLine rules and processes, including requirements of GO 153, for the Boost pilot program, this Decision also explicitly includes conditions under which it will operate.

3.1.6.1. Consumer Safeguards

Sprint will provide the following consumer protections for Boost pilot program participants. As a nationwide facilities-based service provider and a telecommunications provider in California, Sprint is subject to state and federal

consumer protection rules. We extend these rules to consumers who participate in the Boost pilot program as Sprint subscribers under the Boost brand.

The nature of pre-paid service plans offered under the Boost brand protects consumers from overage charges. Consumers may choose to add monies to their accounts to purchase additional services or features. In addition, Boost's pre-paid services do not require a contract, which allows customers to terminate service at any time without financial consequence.

Finally, pilot program participants are protected from incurring unwanted roaming charges because Boost does not assess such charges. Once a consumer establishes service with Boost, if the consumer does not immediately pre-pay for any of the next two months, consumers can still receive incoming domestic calls and text messages at no cost for up to 60 days while Boost waits for the consumer to pre-pay for service. Boost saves a customer's phone number for 60-days after the customer misses a payment deadline providing the customer time to keep their phone number even if they have a lapse in service or choose to take service from a different provider. Moreover, specific to the Boost pilot program, Sprint voluntarily agreed to implement a customer education plan to handle termination of a Boost Project Member's participation in the pilot program. The Program in coordination with Sprint will develop consumer education materials related to enrollment and pilot termination to ensure that participants understand they are participating in a pilot and about their option to select other Program service providers.

3.1.6.2. California LifeLine Program Safeguards

The Boost pilot program includes mechanisms for the Commission to protect the integrity of California LifeLine and control costs. Boost will continue to assess, collect, and remit public purpose program surcharge on revenues from end-user intrastate telecommunications services. California LifeLine will not

approve Boost's reimbursement claims for this pilot program unless it is current with its responsibilities to assess, collect, and remit public purpose program surcharges. As of March 1, 2019, Sprint (U3062C) is current in its Telecommunications and User Fee Filing System reporting and payments and has not been issued a citation for non-payment.

The Commission may audit Boost's remittance of California LifeLine surcharge revenues for five calendar years following the year in which the surcharge revenues were remitted and claim filings for one year after the completion of the Boost pilot program with the last Boost Project Member. Boost must retain all records related to California LifeLine claims for one year after the completion of Boost pilot program with the last Boost Project Member. The Commission retains control of the Boost pilot program's scope, duration, and the groups of consumers that are authorized to receive the promotional codes. Staff will monitor Program participation within and outside of the Boost pilot program. Staff will also monitor costs on a monthly basis. Staff or Boost Project Members will use information from government agencies administering public assistance programs.

The California LifeLine Administrator will continue performing duplicate checks and identity checks for California LifeLine participants outside of the Boost pilot program. Staff will monitor participation to identify the number of individuals receiving discounts through both the Boost pilot program and the existing California LifeLine Program. Every six months, either staff or the California LifeLine Administrator will compare the list of current Boost pilot participants to a list of participants active in the existing California LifeLine Program. The comparison will use the participant's personal information that the participant provided to the Boost Project Member/Boost and their LexIDs. Additionally, consumers may only receive one discount at a time from the Boost

pilot even if they are eligible through multiple Boost Project Members. After a second Boost Project Member launches and begins giving out the promotion codes, staff will look, every quarter, for instances when a Boost pilot participant is simultaneously using multiple promotion codes. If a consumer is simultaneously using more than one Boost promotion code, then the Program will void all but one of the active promotion codes. Staff will determine the extent to which the California LifeLine Administrator will be involved in both the duplicate check with California LifeLine Program participants and within the pilot from other Boost Project Members.

The Boost pilot only permits the discount to be applied to one service plan (a single line) at a time and is limited to service on the Sprint network; both these factors will limit the consumers who will choose to participate in the pilot. Also, consumers would still need to choose to spend their budget on phone and/or broadband services between Boost and other service providers (*e.g.*, AT&T Wireless, Verizon Wireless, T-Mobile, Cricket Wireless, U.S. Cellular, Comcast, Charter Communications, etc.) in the mass communications marketplace. The Commission will regularly monitor the Boost pilot program's performance to assess its continued duration and will implement additional control measures as necessary. If additional controls measures are needed, staff can draft a resolution for the Commission's consideration. D.18-12-019 also reserved the Commission's right to terminate a pilot program at any time.

3.1.7. Boost Pilot Program Payment and Reporting

Boost will request payment by providing a list of active consumers using the promotion codes to the Commission. Boost will receive payments on a monthly basis from the Program. Staff will review the list from Boost and compare it to the lists of promotion codes and/or eligible consumers in the Boost pilot program maintained by the Program and/or Boost Project Member(s). If

staff determines that there is an overpayment or inaccurate claim for payment, staff will deduct from the current invoice amount, as applicable. The list of active consumers will be based on a snapshot and include only those consumers who have active service on a specified day during the month. Staff will work with Boost to establish a recurring day for the snapshot. Basing reimbursements on a snapshot means that Boost will both be able to request full reimbursement for some consumers who only received service for a partial month and be unable request any reimbursement for some consumers who received service for a partial month but were not active on the snapshot date.

Staff will work with Boost to establish a recurring date by which Boost will submit its reimbursement claim each month. If Boost needs extra time to submit a reimbursement claim, then Boost can inform staff and staff can consider Boost's request for additional time. Boost will have six months from a claim's initial due date to submit a true-up claim. If the appropriation for the Program in the State's Annual Budget Act is exhausted or there is an insufficient amount in the California LifeLine Fund, then no payment will be made to Boost to pay approved reimbursement claims.

Boost will submit a monthly report, which includes these metrics: activation rate, churn rate, activation date, tenure in the pilot program, and promotion code redemption. On a quarterly basis, Boost will submit metrics related to usage behavior for the selected service plan and for any add-on purchases/spending trends. Finally, Boost may provide survey data collected at different intervals throughout the duration of the pilot program. Provision of this data may depend on the Boost Project Member and community it serves.

**3.1.8. Boost Pilot Program Implementation Plan;
Activities and Milestones**

As required by D.18-12-019, Boost included an implementation plan that described the activities, milestones and objectives. This Decision discusses the Boost pilot program objectives in detail in Section 3.1.1, *supra*. Boost's pilot program implementation plan includes the following activities and milestones:

- technical development;
- content creation for training and consumer awareness;
- training;
- outreach;
- reporting;
- handling escalations; and
- evaluation.

Boost estimates that it needs up to eight-weeks prior to launching the pilot program to complete its technical development. Boost is prepared to begin the technical development upon the effective date of this decision. Boost will begin the programming needed for the promotion codes, for the recurring reports, and for the intake form on the Web. Pilot program participants will be able to complete this web-based intake form to securely enter their account information along with a valid, unused promotion code.

During this pre-launch period, Boost volunteered to produce several other deliverables. Boost will create content (*e.g.* talking points, text messages, takeaway collateral, and e-flyer) for training the Boost Project Members and for increasing consumer awareness. Boost will also develop a unique Web landing page with a full set of instructions and frequently asked questions. Staff will review all materials for training and consumer awareness. Boost should give Boost Project Members the opportunity, at any time during the implementation, to collaborate regarding these materials and to develop their own content and

materials, if they so desire. Boost may, at their own discretion, use any additional communications with consumers that it normally uses in the course of its business, irrespective of whether the consumer is receiving discounted services via this pilot program. Neither staff nor the Boost Project Members need to review these communications because they are simply a part of Boost's normal communications with consumers sent conducting the business of selling pre-paid services. Consumers participating in this pilot program are still Boost's subscribers to Boost's retail pre-paid services.

Second, Boost will train all its sales representatives in its California brick and mortar locations about this pilot program. Boost Project Members will train their respective staff or designees, as applicable, about the Boost pilot program before they start issuing the promotion codes. The Program will educate relevant Commission staff from other divisions (*i.e.*, Consumer Affairs Branch, Business and Community Outreach Office, and the Public Advisor's Office) regarding this pilot program.

Third, to operationally support this pilot program, Boost volunteered to create a new internal process to handle escalation requests. Boost will develop a unique escalation process to remove consumers from the pilot program. Boost will dedicate specific staff to handle these escalation requests. The Commission and Boost Project Members can request that a consumer stop receiving the Program-funded discounts. The Commission or Boost Project Members will identify the consumer and flag the account with Boost for removal. The Commission or Boost Project Member must provide account detail (name, phone number, etc.) on a formatted file and upload it to a Sprint-secured file transfer protocol Web site. Boost will create the template for this formatted file. Boost will process these files in a timely manner so that the consumer will stop receiving the Program-funded discount before the next monthly reimbursement

filing. The consumer may choose to subscribe to Boost's pre-paid phone service plans even without the Program-funded discounts.

At launch of each Boost Project Member's group of consumers and thereafter during the pilot program's duration, there will need to be activities tied to consumer awareness about the pilot program. Staff, Boost Project Members, and/or Boost will collaborate and coordinate with each other regarding these consumer awareness efforts. The main responsibilities for consumer awareness efforts lies with the Program and/or Boost Project Members. Boost may supplement any of the Program's and/or the Boost Project Members' outreach activities at its own cost. The Program and/or Boost Project Members can communicate with consumers in the pilot program at any time.

Near the conclusion of the Boost pilot program for each group of consumers, the Program and/or respective Boost Project Member may conduct a separate consumer education effort to inform the consumers in the pilot program about the pilot program's status and any actions those consumers need to take. Boost volunteered to coordinate and, in collaboration with staff, provide clear direction and full transparency to inform and engage all consumers benefitting from the Program-funded discounts. Boost also volunteered to send reminder notifications and utilize a text message campaign to further this effort. The Program, the Boost Project Member, and/or Boost will try to allow at least a three-month lead time to start educating consumers in the pilot program about the pilot program's future (termination, extension, or incorporation into the Program) and whether the consumers will be permitted to continue subscribing to Boost's pre-paid phone service plans even without the Program-funded discounts should they choose to do so.

Staff will work with Boost Project Members to develop an outreach campaign, intake processes, and content for consumer communications. Staff

will also develop a process for handling denials, *e.g.*, consumers can still contact the Commission's Consumer Affairs Branch to appeal their denied access to Boost's promotion codes. Staff will also develop training materials to inform stakeholders about this pilot program. We are mindful that there are several California LifeLine service providers, and thus the Program's outreach campaign to the groups of consumers connected to the Boost pilot program should also include general information about the Program, as applicable.

In D.17-12-009, the Commission authorized the energy companies administering CARE to share their participants' information with California LifeLine. For this pilot program, the Commission will use this information to conduct outreach to CARE participants and inform them about the Boost pilot and the California LifeLine Program. The Program stopped conducting an outreach campaign almost five years ago. A CARE and California LifeLine partnership provides the Commission an opportunity to kickstart outreach efforts on a limited basis. Staff estimates that outreach to CARE participants could potentially cost the Program up to six million dollars, we reiterate that this outreach campaign will include general information about the Program, as applicable, as well as information about the Boost pilot program.

Possible outreach channels include, but are not limited to, mailing/receiving printed materials, sending/receiving emails and text messages, and making/receiving phone calls. Staff may seek input from stakeholders on an informal basis (*e.g.*, California LifeLine Working Group Calls, Administrative Committee Meetings, etc.) regarding this outreach campaign. Staff should prioritize the least cost outreach channels and attempt to leverage resources as much as possible. The Program may work with the California LifeLine Administrator or other government entities to conduct the outreach campaign. We intend that the outreach to CARE participants to be conducted in

phases (about 10 counties for each phase) prioritizing the counties with low California LifeLine participation rates and a large volume of low-income households that are not currently participating in the Program.

Regardless of the outreach channel, a CARE participant desiring the Boost promotion code must provide personal information to Boost and the Program that matches the information provided by that participant to their energy service provider. The Program will only provide the Boost promotion codes to consumers matching the most recent CARE participant information from the energy utilities. Interested CARE participants may contact the Program by mail, online, or phone to express interest in the Boost pilot program, to request Boost promotion codes or to acquire information about the Program or pilot programs. Additionally, Communications Division staff should work with Energy Division staff to coordinate and share lessons learned on respective outreach efforts for the CARE and California LifeLine Programs. Identified opportunities for future improved coordination may be developed and considered in future Commission CARE and/or LifeLine decision.

4. iFoster Pilot Program Proposal

4.1. Description

The iFoster pilot program proposes to implement categorical eligibility for California's current and former foster youth ages 13 through 26, if the consumer is a foster youth residing in California. For foster youth ages 21-26, if the applicant has been in foster care on or after his/her 13th birthday, the applicant can receive the Program's discounts. iFoster will leverage existing child welfare eligibility based on the following: a) foster care status; b) age range approved by each respective county; c) county approval that a foster youth (minor or non-minor dependent) can have cell phone service; and d) California residency.

The iFoster project will use this eligibility criteria in lieu of the Program's eligibility criteria in GO 153 and in D.18-02-006.

iFoster will purchase cell phone devices and activate accounts utilizing the Boost promotion code on behalf of foster youth. iFoster will provide technical support to foster youth. Participating foster youth can contact iFoster by phone (toll-free 855-936-7837) or e-mail if they encounter any hardware or service issues with their smartphone or cellular service. iFoster will provide this ongoing, free technical support for the duration of the iFoster pilot program.

As part of the iFoster pilot program, participating foster youth will receive both the monthly prepaid service plan and a cell phone device at no cost. The iFoster pilot program will use a California LifeLine subsidized amount of \$25 per month for each consumer in the iFoster pilot program. Additionally, this Decision authorizes California Lifeline to subsidize (a support amount) up to \$70 per foster youth for the duration of the iFoster pilot program to subsidize the cost of cell phone devices. The estimated two-year total Program cost for the iFoster project is about \$22,295,000 if each of the potential 33,000 foster youth joins for a duration of two years.

Currently, California LifeLine allows reimbursement up to \$78 per California LifeLine participant per year to activate wireless telephone services. Over a two-year period, a California LifeLine participant potentially could receive \$156 in Program discounts for service connection charges. For this pilot program, California LifeLine will subsidize cell phone devices rather than use funds for reimbursement of service connection charges. Consumers participating in the iFoster pilot program will not receive the Program discounts for service connection charges. Although the Program primarily subsidized monthly and non-recurring charges for phone services in recent years, at its inception California LifeLine subsidized the cost of "telephone instruments" for

participants to use the subsidized phone services. In D. 84-04-053, the Commission authorized this allowance for telephone instruments to assist low-income households in offsetting the lease charge for a telephone, purchase one, or maintain one already purchased.

iFoster shall have discretion to purchase the cell phone devices either in bulk, to keep in its inventory, or one-by-one during the service activation process. iFoster must satisfy Boost's minimum volume if they choose to purchase cell phone devices in bulk. iFoster also has discretion to purchase the cell phone device that best fits the consumers' needs in consultation with the consumer, county agency, or caretaker.

iFoster will implement a unique consumer education plan, application process, renewal process, appeals process, eligibility determinations, and eligibility separate and apart from the processes and rules in GO 153. For this pilot, this Decision waives the provisions of GO 153 and other Program rules for the duration of the pilot program. Suspending these Program rules enables the Commission to: a) obtain data and evaluate the effectiveness of potential process and rule changes that will increase California LifeLine participation of this at-risk population; b) ease some of the existing hurdles in the current California LifeLine application and renewal processes that have restricted participation of eligible current and former foster youth; and c) support and align with the legal requirements of state and county child welfare departments responsible for the guardianship of these minor and non-minor dependents.

iFoster will implement a referral and approval process for the foster youth in this pilot program, which can be customized for each county based on specific county eligibility and approval requirements. iFoster will work with County Child Welfare to identify all potentially eligible foster youth participants. Outreach will be conducted jointly by iFoster and County Child Welfare using

county-approved outreach materials. iFoster will conduct trainings for county staff, make outreach presentations to staff, agencies, caregivers, and youth, and be a presence at sign-up events and media. Applications will be completed by both the eligible foster youth and their county social worker if they are in care or by the foster youth themselves if they are out-of-care and not receiving any county after-care services. For minors, the caregiver will also need to sign and approve the application. iFoster will create a unique application to determine youth eligibility. iFoster will work in conjunction with county governments to complete the application process. iFoster will receive the applications, evaluate them, and approve/deny them based on the pilot program's eligibility criteria and any specific criteria required by each county. Staff will also develop a process for handling denials and consumers can still contact the Commission's Consumer Affairs Branch for assistance in appealing denials to the pilot program.

The iFoster pilot program will test these program changes: 1) categorical eligibility for foster youth; 2) Program-funded cell phone devices; 3) holistic engagement with the consumer from the start with outreach, to the application process, to the renewal process, to providing technical support, to Program evaluation, and to project termination; 4) streamlined application and renewal processes for the consumer; and 5) comprehensive involvement of a non-profit organization in concert with government agencies to administer the Program.

In summary, the iFoster pilot program will benefit consumers by facilitating foster youth's access to the Program's discounts while providing a stable and engaging approach with foster youth. The iFoster pilot program launches an innovative approach for the Program to partner with local government agencies. iFoster's holistic approach in administering the Program for foster youth benefits both the consumers and the Program.

4.1.1. Objectives and Key Tenets

D.18-12-019 required that pilot program proposals contain a specific statement of the concern or problem the pilot program seeks to address and that proposals identify at least two of the listed objectives. iFoster's proposal seeks to address three of the four of the identified objectives as follows:

- Lower barriers for consumers to participate in the Program by streamlining eligibility for consumers who are already enrolled in other public assistance programs;
- Increase California LifeLine participation of unserved and underserved consumers, specifically, California's foster youth; and
- Provide scalable solutions that the Program may adopt in the future.

Specifically, the iFoster pilot program will reach California's foster youth, previously identified by the Commission as unserved or underserved by the Program. On September 30, 2017, California had about 52,000 youths in foster care, and the foster care system served approximately 80,000 youths total during federal fiscal year 2017. At the August 2018 Workshop, iFoster showed that 25% of foster youth will not complete high school. Additionally, within four years of aging out of the foster care system, most (about 70%) foster youth move to public assistance programs (*e.g.*, Medi-Cal), about half will experience homelessness, less than three percent will earn a college degree, and approximately half will be unemployed. Even if employed, those employed will likely earn less than \$7,500 per year. In 2016-2017, iFoster conducted a survey of 3,063 foster youth in Fresno, Los Angeles, Madera, and Placer counties, and found that only about 21% and 5% of foster youth living in urban and rural areas, respectively, had regular access to technology. The digital divide experienced by foster youth prevents them from successfully transitioning to adulthood and independence once they age out of foster care.

iFoster's pilot program focuses on these tenets: 1) new partnerships; and 2) innovative components. The iFoster pilot program fosters the tenet of new partnerships by:

- iFoster will coordinate with government agencies to ease Program enrollment of foster youth while increasing the integrity;
- iFoster will partner with Boost (a facilities-based service provider);
- iFoster's operational cost is independent of the level by which iFoster will increase Program participation of foster youth, *i.e.*, it will not operate based on commissions;
- iFoster is a non-profit organization with that has not previously contracted or partnered with California LifeLine; and
- iFoster as a Boost project member will assist in availing California LifeLine participants with affordable broadband internet access service.

The iFoster pilot program also advances the tenet of innovative components by altering how California's foster youth applies for and stays on the Program, the entity responsible determining eligibility (*i.e.*, iFoster will determine Program eligibility instead of the California LifeLine Administrator), and the criteria by which California's foster youth will receive the Program's discounts.

Through this pilot program, iFoster seeks to address the low participation levels of foster youth in California LifeLine. In addition, the iFoster pilot program will lower barriers that have prevented California's foster youth from benefiting from the California LifeLine. iFoster identified the following barriers as systematically excluding and denying foster youth from receiving California LifeLine discounts:

1. California LifeLine enrollment process;

2. California LifeLine eligibility checks;
3. California LifeLine time to approval; and
4. California LifeLine rules or service providers processes pertaining to the household definition, living arrangements, and proof of service address.

4.1.2. Pilot Program Budget

iFoster estimates the pilot program will incur \$184,200 for its operational costs for the pilot project's duration. iFoster based its estimate of operational costs on a potential population size of about 20,000, which only encompasses foster youths ages 16 and 26. Using the estimate of 20,000 inadvertently leaves out 13- to 16-year-olds. However, this Decision estimates that the potential population size should be about 33,000 instead to cover the foster youth between 13 and 16 years of age. The iFoster pilot program will consider foster youth ages 13 and up as eligible to receive the Boost promotion codes.

iFoster is committed to the pilot program for foster youth as an active and engaged partner who can work both within the restrictions and legalities of child welfare and with the Commission and its pilot program partners on developing and implementing a viable Program solution for foster youth in each county in California. This level of engagement will require iFoster to dedicate personnel and resources not previously needed in order to support the pilot program. Implementation of the iFoster pilot program will require allocation of resources from iFoster to work with each County Child Welfare department and their County Council to achieve approvals and launch in a specific county, as well as resources to manage the day-to-day referral, eligibility, and approval processes once approved within a county. Operational costs will also include development of materials, travel, evaluation, reporting, printing of materials, supplies for presentations and events.

The iFoster pilot program will use a California LifeLine subsidized amount of \$25 per month for each consumer in the iFoster pilot program. Additionally, this Decision authorizes a support amount of up to \$70 per foster youth for the duration of the iFoster pilot program to subsidize the cost of cell phone devices. California LifeLine will subsidize the cost of cell phone devices up to \$70 per foster youth for the duration of the iFoster pilot program. The estimated two-year total Program cost for the iFoster pilot program is about \$22,295,000 if each of the potential 33,000 foster youth joins for a duration of two years.

4.1.3. Duration

The iFoster pilot program will have up to a two-year duration. Either the Commission or iFoster have the option to end the pilot program at any time with at 30-days advance notice.

4.1.4. Data Collection

iFoster and Boost will collect data as it relates to the iFoster pilot program. This data will include the content in the application form, information release consent form, and county agency agreement form. iFoster provided drafts of the application form and information release consent form. Staff will work with iFoster to finalize both forms.

iFoster will also assist in measuring usage and utility during the pilot program's duration. In addition, iFoster will collect data related to a voluntary survey that measures impact on a foster youth's life and self-sufficiency (academic performance, employment status, strength of social network, and overall well-being). This survey may be administered quarterly and delivered via text message to their California LifeLine-funded cell phones.

Boost will collect these metrics: activation rate, churn rate, activation date, tenure in the pilot program, promotion code redemption rate, service offerings chosen, a consumer's name and address, and usage behavior for the selected

service plan and for any add-on purchases/spending trends. The frequency of reporting of data collected varies. See the section on payment and reporting below at 4.3.6.

4.1.5. Evaluation Plan

iFoster will assist in measuring usage and utility for the duration of the pilot program. iFoster will continue to collaborate with Staff regarding all facets of the pilot program. In addition, iFoster will also coordinate with County Child Welfare to develop a utility survey that measures impact on a foster youth's life and self-sufficiency (academic performance, employment status, strength of social network, and overall well-being). This survey may be administered quarterly and delivered via text message to their California LifeLine-funded cell phones. Evaluation of the utility of California LifeLine-funded services to foster youth will be provided to the Commission on an aggregate level. iFoster believes this data will provide feedback on the pilot program's value, and more broadly of Program-funded services for foster youth.

Staff will evaluate the data collected and reported by iFoster and Boost and the costs borne by California LifeLine for the iFoster pilot program. Staff has discretion to use other available data to evaluate the iFoster pilot program performance should such data be useful. Staff will analyze, present its analysis, and share anonymized data publicly consistent with the Pilot Program Evaluation described in Section 4.4 of D.18-12-019. As a part of the evaluation plan, staff will also describe the iFoster project's performance, identify and share best practices and lessons learned, and provide recommendations. iFoster's role in this evaluation plan are to provide and report the metrics listed in "Data Collection" immediately above. However, Boost stated it will continue to collaborate with staff and Boost Project Members regarding all facets of this pilot from the launch of each stage to the conclusion.

4.1.6. Safeguards for Consumers and the Program

The Commission seeks to increase program participation by utilizing pilot programs to test different methods and strategies. As a result, GO 153 and other Program rules will not apply to this iFoster pilot program for the duration of the pilot program. Instead the iFoster pilot program will be subject to rules and procedures set forth in this Decision.

A key benefit of the iFoster pilot program is the collaborative approach and coordination that iFoster will implement with state and/or local government agencies. The counties' input with consumer education materials, eligibility criteria, and selection of service plans and cell phone devices will be valuable in ensuring the integrity of this pilot program and California LifeLine.

The privacy needs of children and youth in foster care require additional measures. Given such privacy concerns and the legal liability of the county and state as the legal guardians of these minor and non-minor dependents, specific checks and approvals must be implemented to ensure the iFoster pilot program complies with applicable county child welfare regulations ensuring the safety and protection of minor and non-minor dependents of the state of California while also creating a process easy enough to ensure maximum participation of eligible children and youth.

Foster care status will be ascertained by the submission of either a Ward of the Court Letter or County Dependency Letter. For the iFoster pilot program, youth will have to have been in foster care on or after their 13th birthday. These government documents are generated by the County or State of origin of a youth's child protective services case. Age range of the eligible foster youth participants in the pilot program will be determined by each California county based on review and approval by County Child Welfare and County Council. As the legal guardians of these minor and non-minor dependents, County Child

Welfare will have the responsibility for determining the general eligibility criteria (*i.e.* age range, not gang affected, not at-risk of being trafficked or has been trafficked, court order against having communications device or access) and the specific eligibility of each youth in their care. Youth out of county care (ages 21-26 inclusive) will be restricted only by their eligibility as it relates to having been in foster care on or after their 13th birthday and any legal orders banning their use of communications devices or access. iFoster will work with County Child Welfare to develop specific county eligibility criteria for each county. iFoster will work with County Child Welfare and congregate care facilities (*i.e.* group homes, transitional-housing) to ensure the individual rights of youth to have Program-funded services and a communications device. iFoster wants to ensure their rights are upheld in their living facilities and the services used within the allowable rules and regulations of conduct required by their living facilities.

iFoster will be the centralized hub for issue escalation if a youth has a problem with their device or service. iFoster will work with designated point people to resolve issues. To prevent fraud, waste and abuse, the Commission or iFoster may determine a subscriber is no longer eligible to participate in the pilot program. In instances where a foster youth in the pilot fails to use the service for a prolonged period, iFoster may communicate with the foster youth to determine if there are any issues. iFoster has the discretion to implement the appropriate approach in dealing with this situation.

iFoster will also be the centralized hub for any required disconnections of service due to a youth failing to meet program and county-specific eligibility criteria. iFoster will notify Boost and the Commission of the need to terminate service in which case, Boost will remove the subscriber from the pilot program and place them on the lowest cost offer in market. The foster youth can also

choose to take service from a different service provider. Boost will provide a unique landing page URL to support iFoster associates and youth escalate cases as needed. Boost will also develop an escalation intake form for iFoster to communicate with Boost to handle escalations/special cases.

The Commission may audit iFoster's invoice filings for one year after the completion of the iFoster pilot program. iFoster must retain all records related to California LifeLine invoices for the same period. At the conclusion of the pilot program, any cell phones that have not been distributed to participants will be returned to the Commission.

This Decision waives the Program's rules and processes, including the requirements of GO 153, for the duration of the iFoster pilot program. iFoster will be coordinating the enrollment and renewal process and eligibility determination but will not be providing telephone service. Boost Mobile will provide the services (telephone service, broadband services, text messaging, etc.) in its cell phone plans along with other features that the foster youth chooses to purchase.

The iFoster pilot program creates a new process for enrollment and renewal, including how consumers' eligibility will be determined, that are different from the existing Program. iFoster will develop and distribute their own enrollment forms and, in coordination with County Child Welfare, will determine eligibility. Therefore, Sections 4, 5, and 6 of GO 153 do not apply for the iFoster pilot program. Sections 3, 7, and 8 of GO 153 also do not apply since iFoster does not provide telephone services. Additionally, this Decision specifies the payment and reporting requirements under which we hold the iFoster pilot project accountable. Therefore, Sections 9 and 13 of GO 153 need not apply for this Boost pilot project. Although the Commission waives the Program's rules and processes, including requirements of GO 153, for this iFoster pilot program,

this Decision also explicitly includes conditions under which the iFoster pilot program will operate.

4.1.7. Payment and Reporting

iFoster will create a unique identifier for each foster youth that it deems eligible for a promotion code. iFoster will assist the Commission in reconciling Boost's monthly reimbursement claims. iFoster will submit monthly invoices for: 1) its operational costs; and 2) reimbursement of purchased cell phone devices on behalf of foster youth in the iFoster project. This Decision limits payment of iFoster's operational costs to \$25,000 per month for the first three months of the pilot program.

If staff determines that there is an overpayment or inaccurate invoice for payment, staff will deduct from the current invoice amount, as applicable. Staff will work with iFoster to establish a recurring date by which iFoster will submit its invoices each month. If iFoster needs extra time to submit an invoice, staff has discretion to consider and grant such requests. iFoster will have 6 months from an invoice's due date to submit a true-up invoice. If the appropriation for the Program in the State's Annual Budget Act is exhausted or there is not a sufficient amount in the California LifeLine Fund, then no payment will be made to iFoster to pay approved invoices.

iFoster will report survey information on a quarterly basis. Boost will submit a monthly report, which includes these metrics: activation rate, churn rate, activation date, tenure in the pilot program, and promotion code redemption. On a quarterly basis, Boost will submit metrics related to usage behavior for the selected service plan and for any add-on purchases/spending trends.

4.1.8. iFoster Implementation Plan; Activities and Milestones

Part of the iFoster pilot program's implementation plan depends upon the Boost pilot program's implementation plan and county child welfare departments. County Child Welfare as the legal guardian of these children and youth will be the determiner of the overall program age range and specific youth eligibility for youth on their caseload. Some counties, such as Los Angeles County, which has nearly half of California's caseload, may consider younger children, but due to the increased legal restrictions and responsibilities of supervising and caring for younger children, iFoster anticipates launching the younger age groups later. iFoster will first launch the pilot program with the target population ages 16 to 26.

iFoster will need to work with counties to determine each county's agreement to participate in the iFoster pilot program and the eligibility restrictions for foster youth. iFoster will also need to work with counties regarding the referral and approval processes. iFoster will also develop a process for ordering services and devices, activating services, and delivery of devices. In coordination with Boost and the Commission, iFoster will create a process for resolving issues and terminating services due to ineligibility.

Regarding pilot program materials, iFoster will work with the counties and the Commission in finalizing the application form and information release consent form. iFoster can independently develop the county agency agreement form.

5. Comments on Proposed Decision

The proposed decision of Commissioner Guzman Aceves in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of

Practice and Procedure. Comments were filed on _____, and reply comments were filed on _____ by _____.

6. Assignment of Proceeding

Martha Guzman Aceves is the assigned Commissioner and Katherine Kwan MacDonald is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. On December 18, 2018, the Commission issued D.18-12-019 establishing the criteria for the authorization of pilot programs in the California LifeLine Program.
2. The Commission hosted workshops and public meetings between July and September 2018, to gather input on how to improve the Program and increase Program participation from stakeholders.
3. Sprint submitted a pilot program proposal under Sprint's brand name, Boost Mobile.
4. The Boost pilot program proposal identified the following objectives of its proposed pilot program: to increase participation of facilities-based service providers, to lower barriers to entry, to increase Program subscribership and to provide a scalable solution for the Program.
5. Sprint is a facilities-based telephone service provider.
6. Sprint has not previously participated in the Program.
7. Sprint, through its Boost Mobile brand, volunteers to participate in the Program through the Boost pilot program.
8. All of Boost's retail prepaid wireless plans will be eligible for California LifeLine discount through the pilot program.
9. All of Boost's prepaid service plans in the pilot program will include unlimited talk and text and varying amounts of data allowance.

10. Boost's prepaid service plans do not require a contract and customers may terminate service at any time.

11. At the time of this decision, Boost's least expensive prepaid service plan costs \$35 per month, which includes unlimited talk and text and 3GB of 4G LTE.

12. iFoster proposed a pilot program to the Commission in summer 2018 that included the required elements identified by the Commission in D.18-12-019.

13. iFoster is a national non-profit organization that works with government agencies, foster care organizations, foster care givers and foster youth to provide resources and opportunities they need to become successful, independent adults.

14. The Boost Pilot Program includes mechanisms for the Commission to protect the integrity of the Program and control costs.

15. Boost included an implementation plan for the pilot program that describes activities, milestones and objectives.

16. The iFoster pilot program will provide free cell phones and cell phone service for up to approximately 33,000 current and former California foster youths, ages 13 through 26, residing in California.

17. The objectives of the iFoster pilot program are to lower barriers to entry, to increase Program participation of foster youth and to provide long-term scalable solutions for the Program.

18. In federal fiscal year 2017, the California foster care system served approximately 80,000 youths.

19. In 2016-2017, iFoster conducted a survey of 3,063 foster youth in Fresno, Los Angeles, Madera and Placer counties.

20. The iFoster survey found that only 21% of urban and 5% of rural youths had regular access to technology.

21. The iFoster pilot program duration is two years.

22. The estimated total cost of the iFoster pilot is \$22,295,000.

23. CARE Program and the California LifeLine Program made efforts in the past to coordinate enrollment.

24. As of March 16, 2019, CARE has 4.49 million participants which represent 88% participation rate of eligible low-income households.

Conclusions of Law

1. The California LifeLine Program, consistent with the Moore Act, seeks to make high-quality basic service affordable for low-income Californians.

2. D.18-12-019 authorizes the use of pilot programs to increase Program participation by lowering barriers, increasing overall participation, and participation by unserved or underserved communities, increasing the number and types of service providers offering California LifeLine, and expanding California LifeLine participants' access to retail offerings in the market.

3. D.18-12-019 sets forth the criteria that pilot program proposals must meet for Commission consideration and authorization.

4. The Boost pilot program proposal meets the criteria established by D.18-12-019 and should be authorized.

5. The Commission should select iFoster, the Commission, and the San Francisco HHSA as Boost Project Members.

6. The Commission should have the discretion to select other entities as Boost Project Members at a later time.

7. The iFoster pilot program proposal meets the criteria established by D.18-12-019 and should be authorized.

8. The Commission should authorize the Boost Mobile pilot program as described in this Decision.

9. The Commission should authorize the iFoster pilot program as described in this Decision.

10. Denials of consumers' eligibility to join the pilot should be appealed to the Commission's Consumer Affairs Branch.

11. Boost Mobile and iFoster, Inc., should work with Communications Division staff to implement the pilot programs, and should keep staff apprised of their progress.

12. The California LifeLine Program's rules and processes, including provisions of GO 153, should be waived for the Boost pilot program for the duration of the pilot program.

13. The California LifeLine Program's rules and processes, including provisions of GO 153, should be waived for the iFoster pilot program for the duration of the pilot program.

14. Because iFoster will be receiving California LifeLine funds for its pilot program operations and the purchase of cellphone devices for foster youth in California, iFoster should comply with all aspects of the pilot program as described in this Decision.

15. Either the Commission, iFoster, or Boost should have the discretion to terminate the pilot at any time and for any reason by giving the other party a 30-day written notice of such termination.

16. Consistent with D.18-12-019, Boost and iFoster should submit reports of the pilots on a monthly or quarterly basis.

17. Boost, iFoster and Boost Project Members should provide pilot data to Staff for Staff to prepare analysis and recommendations to the Commission and stakeholders consistent with D.18-12-019.

18. Boost should submit an information-only letter to CD of the service plans that will be offered in the pilot within 90 days from the effective date of this Decision.

19. Applicable state and federal consumer protection rules should apply to Boost and iFoster pilots.

20. In D.17-12-009, the Commission authorized energy companies to provide a list of CARE customer information to California LifeLine.

21. In order to allow timely implementation of the pilots, this order should be effective immediately.

ORDER

IT IS ORDERED that:

1. Sprint Corporation, through its wholly owned subsidiary, Sprint Spectrum L.P., is authorized to implement the Boost Mobile pilot program as set forth in this Decision.

2. The California LifeLine Program's rules and processes, including provisions of General Order (GO) 153, shall be waived for the duration of the Boost Mobile pilot program.

3. iFoster, Inc. is authorized to implement the iFoster pilot program, as set forth in this Decision.

4. The California LifeLine Program's rules and processes, including provisions of GO 153, shall be waived for the duration of the iFoster pilot program.

5. Boost, iFoster and Boost Project Members shall provide pilot data to Staff as set forth in this Decision.

6. California Public Utilities Commission Communications Division staff shall prepare analysis and recommendations for the Commission and stakeholders consistent with Decision 18-12-019.

7. Either the California Public Utilities Commission or Boost Mobile shall have the option to terminate the Boost pilot program at any time with a 30-day written notice of such termination.

8. Either the Commission or iFoster shall have the option to end the iFoster pilot program at any time with a 30-days written notice of such termination.

9. Boost Mobile shall submit an information-only letter to the Communications Division describing the service plans for the pilot within 90 days from the effective date of this Decision and update the information-only letter as its service plans change.

This order is effective today.

Dated _____, at San Francisco, California.