



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

Order Instituting Rulemaking to Update the
California LifeLine Program.

Rulemaking 25-11-005

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**COMMENTS OF CTIA ON STAFF PROPOSAL ON
LIFELINE SPECIFIC SUPPORT AMOUNT AND
MINIMUM SERVICE STANDARDS**

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Pursuant to Rule 6.2 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”) and Section 3.3 of the Order Instituting Rulemaking in this docket,¹ CTIA² submits these comments on the *Staff Proposal on LifeLine Specific Support Amounts and Minimum Service Standards*.³ These comments are timely filed pursuant to the December 8, 2025, Email Ruling Extending Deadlines to File Opening and Reply Comments on the Staff Proposal of Administrative Law Judge Eileen Odell, which extended the deadline to file opening comments on the Staff Proposal to January 9, 2026, and the deadline for reply comments to February 9, 2026.⁴

I. INTRODUCTION AND SUMMARY.

CTIA appreciates the Commission’s continuing examination of its LifeLine program. Establishing optimal levels for the Minimum Service Standards (“MSS”) and Specific Support Amounts (“SSA”) (collectively “MSS/SSA”) available for wireless LifeLine service is crucial to programmatic success, and the best means of determining such levels is through a data-driven approach. While the Staff Proposal presents a large amount of data about the LifeLine program, its specific proposals unfortunately are not supported by the data it presents. As a result, the

¹ *Order Instituting Rulemaking to Update the California Lifeline Program*, R.25-11-005, at 6-7 (Nov. 20, 2025) (“OIR”).

² CTIA – The Wireless Association® (“CTIA”) (www.ctia.org) represents the U.S. wireless communications industry and the companies throughout the mobile ecosystem that enable Americans to lead a 21st century connected life. The association’s members include wireless providers, device manufacturers, and suppliers as well as apps and content companies. CTIA vigorously advocates at all levels of government for policies that foster continued wireless innovation and investment. CTIA represents a broad diversity of stakeholders, and the specific positions outlined in these comments may not reflect the views of all individual members. The association also coordinates the industry’s voluntary best practices, hosts educational events that promote the wireless industry and co-produces the industry’s leading wireless tradeshow. CTIA was founded in 1984 and is based in Washington, D.C.

³ OIR at App. B, Communications Division, *Staff Proposal on LifeLine Specific Support Amount and Minimum Service Standards* (Nov. 3, 2025) (“Staff Proposal”).

⁴ See Rules of Practice and Procedure § 11.6.

Staff Proposal's proposed MSS/SSA tiers and additional data price caps appear arbitrarily designed. CTIA agrees that any changes to the wireless MSS/SSA tiers should be data-driven, but the lack of explanation in the Staff Proposal of the relationship between the data and the proposals makes it difficult to provide meaningful comment on them. Without more information about how Staff conducted its analysis, it would be unreasonable for the Commission to adopt the Staff's proposed approach at this time.

With regard to the proposed non-usage rule, CTIA strongly supports efforts to eliminate waste, fraud, and abuse in LifeLine. However, the Staff Proposal does not provide a sufficient basis for removing the current alignment between the California and federal non-usage rules.

Finally, the Staff Proposal's suggestion regarding future adjustments to the MSS/SSA structure, seemingly to be based on market analysis to be conducted by staff, is vague. The Commission should not adopt this approach without receiving further explanation and details, and any such process must include an opportunity for notice and public comment.

II. THE STAFF PROPOSAL DOES NOT EXPLAIN HOW THE PROPOSED MSS/SSA TIERS ARE BASED ON AVAILABLE DATA.

The Staff Proposal proposes a specific, detailed framework of five tiers of LifeLine plans, including three tiers with zero copay and two copay tiers,⁵ and asserts that this framework is based on Staff's analysis of data on existing LifeLine and non-LifeLine plans in the market, as well as the Commission's affordability ratios adopted in 2020.⁶ However, neither the calculation of the proposed MSS/SSA tiers nor the proposed rate caps for additional data are explained by the Staff Proposal. While the Staff Proposal includes some data on current LifeLine plans, non-

⁵ Staff Proposal at 16, Tbl. 8.

⁶ See *id.* at 1, 8, 14-15.

LifeLine plans, and affordability analysis, it does not explain how any of these data support the specific MSS/SSA amounts proposed for those tiers.

In terms of non-LifeLine market data, the Staff Proposal presents a chart showing that non-LifeLine plans with 5-6 GB of data have an average price of \$24; plans with 10-11 GB of data average \$32; plans with 15-17 GB of data average \$31; and plans with 20-25 GB of data average \$40.⁷ It also presents a table of advertised unlimited plans with a wide variety of throttling and hotspot options, ranging in price from \$30-\$80.⁸ Regarding current LifeLine plans, the Staff Proposal indicates that there are ten LifeLine plans approved by the Commission with customer copayments ranging from \$0.83 to \$31. Of these, five plans have active subscribers, totaling 32,368 customers.⁹ In an effort to illustrate affordability concerns, the Staff Proposal presents data regarding six selected Los Angeles-area Public Use Microdata Areas (PUMAs) showing that, in three of them, even a \$5 copay would put the plan out of reach of *all* households in the AR20 (twentieth percentile affordability ratio) and, in the other three PUMAs, varying percentages of households between 3.77% and 73.02% would face affordability concerns at copays ranging from \$5 to \$25.¹⁰

The Staff Proposal states that its proposed new MSS/SSA tiers were developed based on its review of these datasets,¹¹ and that its “tiered service levels” are “based on the data usage [level], incorporating existing approved LifeLine plans and those available on the retail

⁷ *Id.* at 9, Tbl. 4.

⁸ *Id.* at 10, Tbl. 5.

⁹ *Id.* at 13 & Tbl. 7.

¹⁰ *Id.* at 12-13 & Tbl. 6.

¹¹ *Id.* at 8 (“Staff reviewed different types of data related to service provider service plans, including data from market studies, the affordability ratio metric, and CA LifeLine. Through these methods, staff have developed proposed adjustments to the SSA and MSS to provide CA LifeLine participants with the communications services they need while maintaining affordable, reasonable rates.”).

market.”¹² but it offers no explanation for how any of these data support the proposed MSS/SSA tiers. CTIA agrees that a data-driven approach is appropriate but, without any explanation of how Staff used the data to arrive at the proposed MSS/SSA tiers, stakeholders are unable to provide the Commission a complete analysis of the reasonableness of the proposal.

Moreover, the Staff Proposal’s delineation of its proposed new MSS/SSA tiers appears to be arbitrary. One example of the apparent arbitrariness of the proposed new MSS/SSA tiers is the wide variation in effective price per GB of data, both between the various tiers and between the tier prices and the additional data price limits. These variations are illustrated in the table below, which shows the effective per-GB data price across the Staff Proposal’s proposed MSS/SSA tiers:

Staff Proposal MSS/SSA Tiers and Resulting per-GB Data Prices				
Tier	Price	GBs of Included Plan Data	Price per GB of Plan Data	Price per GB, Additional Data
	SSA		SSA only	
1 (Basic)	\$13	6	\$2.17	\$3.19
	+ \$9.25 = \$22.25		\$3.71	
2 (Standard)	\$19	15	\$1.27	\$2.77
	+ \$9.25 = \$28.25		\$1.89	
3 (Family (Line 1))	\$19	15	\$1.27	\$2.77
	+ \$9.25 = \$28.25		\$1.89	
4	\$20 + \$5 copay = \$25	25	\$1.00	\$1.50
	+ \$9.25 = \$34.25		\$1.37	

¹² *Id.* at 15.

5	$ \begin{aligned} & \$20 + \$10 \\ & \text{copay} = \$30 \\ & + \$9.25 = \\ & \$39.25 \end{aligned} $	40	\$0.75	\$0.56
			\$0.98	

Thus, as the table shows in column four, the Staff Proposal contemplates per-GB prices for plan data ranging from a potential high of \$3.71 (assuming the federal subsidy also is available) or \$2.17 (if not) to a low of \$0.98 (with the federal subsidy) or \$0.75 (without), and specifies per-GB prices for additional data ranging from \$3.19 to \$0.56, without explaining why these variations in per-GB pricing are reasonable.

The Staff Report also does not explain any connection between the widely varying per-GB data prices in its five proposed MSS/SSA tiers and any of the non-Lifeline or Lifeline data included in the Staff Report. For example, the Staff Report presents data showing that, for non-LifeLine plans, the effective prices for plan data range from \$4.64 per GB for 5 GB plans to \$1.82 for 20-25 GB plans.¹³ In existing California LifeLine plans, the effective price per GB for plan data is \$4.91 per GB in Basic plans and \$4.71 per GB in Standard/Family plans (assuming the availability of the federal subsidy). There is no apparent connection between any of these price levels and the per-GB prices for plan data in the Staff Proposal (which are summarized in the table above).

In addition, the table also shows the difficulty in attempting to analyze the Staff Proposal's MSS/SSA tiers because the Staff Proposal does not indicate whether Staff assumed that California LifeLine customers also would receive the federal Lifeline subsidy in addition to the California SSA (*see* columns two and four *supra*). Yet, as the table shows, the availability of

¹³ *Id.* at 9, Tbl. 4.

the federal subsidy has a significant impact on the interpretation of the Staff Proposal’s new MSS/SSA tiers. At the same time, the availability of the federal subsidy is a more complex question now than it was on November 3, 2025, when the Staff Report is dated, given the subsequent decision by the Federal Communications Commission (“FCC”) to require verification of California customers’ eligibility through the National Lifeline Eligibility Verifier in order to receive the federal benefit.¹⁴ At minimum, for parties to comment meaningfully on the Staff Proposal, the Commission should clarify whether the proposed MSS/SSA tiers were designed assuming the inclusion of the federal Lifeline subsidy. More broadly, however, the uncertainty created by the FCC’s *Opt-Out Revocation Order* militates strongly against making any significant decisions about California LifeLine rules until the impact of the eligibility verification transition becomes clear.

The Staff Proposal’s also would impose rate caps on prices that California LifeLine providers may charge for additional data beyond the plan allowance.¹⁵ The proposed per-GB rate caps raise the same concerns as discussed above with respect to the per-GB prices of plan data—*i.e.*, the wide variations in per-GB prices among tiers appear arbitrary, and the proposed amounts do not appear to be connected to any data in the Staff Proposal. Specifically, the Staff Proposal’s per-GB rate caps, which range from \$3.19 in Tier 1 to \$0.56 in Tier 5 (*see* column five *supra*), represent a broad range in pricing from one tier to another, and also differ from the per-GB prices for plan data. The Staff Proposal does not explain these differences or any connection to the data in the Staff Proposal, which contains no data at all on pricing for

¹⁴ See *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, Order, DA 25-965 (Wireline Comp. Bur. rel. Nov. 20, 2025) (“*Opt-Out Revocation Order*”).

¹⁵ Staff Proposal at 16, Tbl. 8.

additional data above the data allowance for non-LifeLine plans.¹⁶ And there is no apparent connection between these proposed rate caps and the per-GB prices in current California LifeLine plans with copayments.¹⁷

The Staff Proposal’s proposal to impose limitations on copayment amounts for additional data usage beyond the MSS/SSA is also unsupported. The Commission’s rules do not currently limit copay amounts for additional data usage beyond the MSS/SSA, and the Staff Proposal does not present any valid policy reason for changing this policy. Given the large number of LifeLine providers operating in California, providers face significant competitive pressure to offer the best rates possible. Indeed, the Staff Proposal’s data show that, of the five copay LifeLine plans with enrolled participants, fully 98% of those participants are enrolled in the plan with the lowest per-GB co-payment amount.¹⁸ This demonstrates that LifeLine customers are capable of selecting the best available price when given options. And the fact that 2% of customers selected plans with higher per-GB copay prices does not mean that those few customers are “overpaying.” Customers choose LifeLine providers for a variety of reasons, and may select their provider based on other factors such as availability of specific devices, device discounts or incentives, exceptional customer service, or other preferences.

The Staff Proposal attempts to justify the imposition of mandatory copay tiers at specified levels by asserting that there is a “significant lack of standardization in copayment amounts across participating CA LifeLine wireless service providers for similar service packages”¹⁹ and that “copayment amounts can differ significantly among service providers for

¹⁶ See *id.* at 8-13.

¹⁷ See *id.* at 13 Tbl. 7.

¹⁸ *Id.*

¹⁹ *Id.* at 14.

similar service offerings.”²⁰ But the data in the Staff Proposal do not support this as a reason to adopt standardized copay amounts. As noted above, only five LifeLine plans with copayments currently have any subscribers, and fully 98% of those subscribers have selected the same plan. It is therefore difficult to make the case that the current market for copay LifeLine plans is confusing California consumers.

Moreover, the current LifeLine market does not offer meaningful information about appropriate pricing for copay amounts. The only copay LifeLine plans in the market are ones that the Commission itself has approved by advice letter, and the Commission has not approved any wireless LifeLine plan with a copay in several years. Current copay LifeLine plans therefore do not provide any basis to draw valid inferences about the current market reality. Further, the Staff Proposal indicates that only 32,368 out of 1.7 million total California LifeLine customers subscribe to wireless copay plans.²¹ This means that less than 2% of California LifeLine customers subscribe to *any* currently available copay plan. This small number calls into question whether sufficient data are available at all to support the Staff Proposal’s copayment rates.

In sum, the Staff Proposal’s proposals as to specific MSS/SSA tiers and rate caps for additional data appear to be arbitrary and unjustified by any data or analysis. It would be unreasonable for the Commission to adopt them without further information and analysis. Furthermore, the Commission also should not make any significant decisions about the California Lifeline program until the impact of the FCC’s *Opt-Out Revocation Order* is clear.

²⁰ *Id.* at 13.

²¹ *Id.* at 15.

III. THE COMMISSION SHOULD RETAIN A NON-USAGE RULE THAT PARALLELS THE FEDERAL RULE.

The Staff Proposal notes that California LifeLine’s current non-usage rule “mirrors the federal Lifeline non-usage rule,” but proposes “expanding the rules of non-usage to include copayment plans beyond the federal rules.”²² CTIA strongly supports the elimination of waste, fraud, and abuse in California LifeLine, as well as in all federal and state Lifeline programs. Low-income consumers significantly value wireless services, and maintaining rigorous program integrity helps ensure that limited program resources are available to support the households that truly need such support. In addition, wireless providers pay the majority of surcharges that support California LifeLine and are major contributors to other states’ and the federal Lifeline programs. Wireless providers therefore have a strong interest in ensuring that program expenditures are not inflated by waste, fraud, and abuse.

At the same time, CTIA also supports uniformity of rules and procedures between the state and federal programs. Wireless providers generally operate at a nationwide level, and implementing state-specific processes and procedures introduces complexity, additional costs, and opportunities for error that can be avoided by uniform rules and procedures.

In this case, the Staff Proposal does not offer sufficient justification to eliminate the parallel between the California non-usage rule and the federal rule. The Staff Proposal suggests that the rule change will allow the Commission to “identify subscribers who are no longer benefiting from the program and prevent wasteful spending of ratepayer funds.”²³ While these are valuable and appropriate goals, the FCC has considered this issue several times and concluded that, while “[p]roviding support for subscriber lines that are not used wastes limited

²² *Id.* at 17.

²³ *Id.* at 17.

funds,” “actually collecting some monthly [copay] amount from subscribers is sufficient to ascertain subscriber intent and ensures that subscribers will continue to subscribe to the service only to the extent that they value and use the service.”²⁴

This conclusion is equally valid in California. The Staff Proposal notes that half of California LifeLine service providers “reported over 80 percent of their customer removals were due to non-usage,”²⁵ apparently suggesting that non-usage is so prevalent as to warrant additional measures. These instances of non-usage, however, arose in plans with no copays (*i.e.*, where the customer pays nothing for monthly service), since the non-usage rule only applies today to such plans. As a result, this statistic does not indicate any issue with non-usage in copay plans.

There is significant value to retaining the parallel between the California non-usage rule and the federal rule, and the Staff Proposal does not present any evidence that changing the California rule is needed. The Commission should therefore keep the California LifeLine non-usage rule aligned with the federal rule.

IV. CLARIFICATION IS NEEDED AS TO THE PROCESS FOR FUTURE UPDATES TO THE MSS/SSA, WHICH MUST INCLUDE STAKEHOLDER FEEDBACK.

The Staff Proposal states that Commission Staff “will conduct an annual market analysis to evaluate affordability and any market changes, ensuring necessary adjustments to the SSA and MSS.”²⁶ However, the Staff Proposal proposes changes to General Order (“GO”) 153 that would make such a market analysis optional.²⁷ The Commission should clarify whether the market analysis is mandatory or discretionary.

²⁴ *Lifeline and Link Up Reform*, Order, 30 FCC Rcd 2801, 2802 ¶ 4 (WCB 2015) (internal citations omitted).

²⁵ Staff Report at 17.

²⁶ *Id.* at 1; *see also id.* at 15 (same).

²⁷ *See id.*, redline of GO 153 at § 8.5.3 (“CD may conduct a market analysis...”).

The Commission also should clarify the process it intends to use regarding any future changes to the MSS/SSA tiers, and such process should afford stakeholders notice and an opportunity to provide comments. This will ensure dissemination of the information on which the Commission intends to base its decision and allow for validation of the data and the Staff's analysis and conclusions based on the data. Indeed, the opacity of the data and analysis in the current Staff Proposal itself underscores the need for transparency and clarity in the process to ensure that California LifeLine MSS/SSA and any other price or capacity restrictions are calculated based on accurate data and that any changes are reasonable and appropriate. The Commission's resolution process would be an obvious option for providing this opportunity, but in any event the process should ensure the provision of notice and the opportunity for public comment.

V. CONCLUSION.

CTIA appreciates the Commission's consideration of modifications to the rules for calculating the MSS/SSA for the California LifeLine program. These issues warrant careful consideration and, while the Staff Proposal includes some useful data, its proposals appear arbitrary and disconnected from the data. As a result, the Staff Proposal should not be adopted without further development and additional opportunity for comment. The California LifeLine non-usage rule should remain consistent with the federal rule, and the Commission should clarify the proposed process for further changes to the MSS/SSA to include notice and opportunity for comment.

Respectfully submitted January 9, 2026, at San Francisco, California.

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