

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

Order Instituting Rulemaking to  
Update the California Universal  
Telephone Service (California  
LifeLine) Program.

FILED  
PUBLIC UTILITIES COMMISSION  
FEBRUARY 27, 2020  
SAN FRANCISCO, CALIFORNIA  
RULEMAKING 20-02-008

**ORDER INSTITUTING RULEMAKING TO UPDATE  
THE CALIFORNIA LIFELINE PROGRAM****Summary**

This decision opens a new proceeding to update the California Universal Telephone Service Program.

**1. Jurisdiction**

The Moore Universal Telephone Service Act (Moore Act), enacted in 1987, established the California Universal Telephone Service Program (California LifeLine or the Program) to provide low-income households with access to affordable communications service. The Program is codified in California Public Utilities (Pub. Util.) Code §§ 871-884, which requires the California Public Utilities Commission (Commission) to ensure access to high quality basic telephone service at affordable rates to the greatest number of California residents.

**2. Background**

This proceeding is a successor to the Commission's Rulemaking (R.) 11-03-013, where the Commission implemented revisions to California LifeLine. The Program was originally designed to ensure that basic telephone service remains affordable for low-income Californians. In Decision (D.) 10-11-033, the Commission acknowledged that significant technological and

regulatory changes in the telecommunications industry had occurred since the Moore Universal Telephone Service Act enacted California LifeLine. We recognized the challenge to making newly popular communication services and platforms available to California LifeLine participants.

R.11-03-013 revised the Program to incorporate additional communications technologies and address state and federal policy changes. In D.14-01-036, we adopted new program rules to make wireless services available to California LifeLine participants. We supported the Moore Act's competitive neutrality requirements by focusing on the functions that California LifeLine services perform for participants. In response to the Federal Communications Commission 2016 changes to federal eligibility requirements<sup>1</sup>, we issued a series of decisions to restore California-specific eligibility requirement and authorize the Program to make up for the lost federal support for these participants.

We will continue to consider how to incorporate additional communications technologies, such as broadband, and address changes to state and federal policies in this new rulemaking. One of our first priorities will be working with stakeholders to determine the appropriate levels of Program-funded support for communications services going forward. This assessment will reflect our continued commitment to ensure access to voice services across the state, as federal subsidies for voice services decline, and our policy goals for increasing program participation and access to broadband services.

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<sup>1</sup> Lifeline and Link Up Reform and Modernization *et al.*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962 (2016) (2016 Lifeline Order)

R.11-03-013 also enabled innovation through decisions establishing the criteria for pilot programs and partnerships within California LifeLine<sup>2</sup> and authorizing the first set of pilot programs.<sup>3</sup> R.11-03-013 began to consider additional pilot program applications; these applications will continue to be considered in this new rulemaking.

### **3. Purpose of Proceeding**

The purpose of this proceeding is to continue to improve the Program, respond to innovations in communications technologies, and address changes to federal and state policies relating to communications and access to affordable essential services.

### **4. Preliminary Scoping Memo**

This rulemaking will be conducted in accordance with Article 6 of the Commission's Rules of Practice and Procedure, "Rulemaking."<sup>4</sup> As required by Rule 7.1(d), this order instituting rulemaking (OIR) includes a preliminary scoping memo as set forth below, and preliminarily determines the category of this proceeding and the need for hearing.

#### **4.1. Issues**

We seek comments on how this proceeding can continue to improve California LifeLine and respond to the changing technology and policy landscapes. At the outset, we believe the scope of the rulemaking should include

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<sup>2</sup> D.18-12-019, Decision Establishing the Criteria for Pilot Programs and Partnerships within the California Lifeline Program.

<sup>3</sup> D.19-04-021, Decision Authorizing Pilot Programs of Boost Mobile, Inc. and iFoster, Inc. in the California Lifeline Program.

<sup>4</sup> All references to "Rules" are to the Commission's Rules of Practice and Procedure unless otherwise indicated.

updates to Program implementation rules to improve the Program, and to address changes to state and federal policies and communications technologies.

The scope of this new rulemaking will also include unresolved issues from R.11-03-013. More information about the issues to be addressed, including the list of unresolved issues, and the process for addressing those issues will be set forth in a forthcoming assigned Commissioner's scoping memo.

#### **4.2. Categorization; *Ex Parte* Communications; Need for Hearing**

The Commission's Rules of Practice and Procedure require that an order instituting rulemaking preliminarily determine the category of the proceeding and the need for hearing. As a preliminary matter, we determine that this proceeding is quasi-legislative, because our consideration and approval of this matter would establish policy or rules affecting a class of regulated utilities. Accordingly, *ex parte* communications are permitted pursuant to Article 8 of the Rules.

We are also required to preliminarily determine if hearings are necessary. We preliminarily determine that hearings are not necessary. However, we plan to give parties an opportunity to discuss this further at the prehearing conference.

#### **4.3. Preliminary Schedule**

The preliminary schedule for this proceeding is set forth below. The prehearing conference will be held for the purposes of discussing schedule and process, and informing the scoping memo at the Commission, 505 Van Ness Avenue, San Francisco, California 94102.

Event	Date
Prehearing conference	March 10, 2020 at 10:30 a.m.
Prehearing conference statements	March 2020
Scoping memo	April 2020

The assigned Commissioner or the assigned Administrative Law Judges (ALJs) may change the schedule to promote efficient and fair administration of this proceeding. The schedule for the remainder of the proceeding will be adopted in the assigned Commissioner's Scoping Memo.

Due to the complexity and number of issues in this proceeding, it is the Commission's intent to complete this proceeding within 24 months of the date this decision is adopted. (Pub. Util. Code § 1701.5(b).)

If there are any workshops in this proceeding, notice of such workshops will be served to the service list of this proceeding and posted on the Commission's Daily Calendar to inform the public that a decision-maker or an advisor may be present at those meetings or workshops.

#### **5. Parties and Service of OIR**

We will serve this order by electronic mail on all parties and stakeholders on the service list of R.11-03-013. The initial service list for this proceeding shall be established utilizing the service list in R.11-03-013. Parties of record in R.11-03-013 will automatically be made parties in this new proceeding and need take no further action in that regard.

#### **6. Filing and Service of Comments and Other Documents**

Filing and service of comments and other documents in the proceeding are governed by the Commission's Rules of Practice and Procedure.

Parties are instructed to only serve documents on the assigned Commissioner, advisors to the assigned Commissioner, and the assigned ALJs by

electronic copy and *not* by paper copy, unless specifically instructed to do otherwise.

## **7. Addition to Official Service List**

Addition to the official service list is governed by Rule 1.9(f) of the Commission's Rules of Practice and Procedure.

Any person will be added to the "Information Only" category of the official service list upon request, for electronic service of all documents in the proceeding, and should do so promptly in order to ensure timely service of comments and other documents and correspondence in the proceeding. (*See* Rule 1.9(f).) The request must be sent to the Process Office by e-mail ([process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov)) or letter (Process Office, California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, California 94102). Please include the Docket Number of this rulemaking in the request.

Persons who file responsive comments thereby become parties to the proceeding (*see* Rule 1.4(a)(2)) and will be added to the "Parties" category of the official service list upon such filing. *In order to assure service of comments and other documents and correspondence in advance of obtaining party status, persons should promptly request addition to the "Information Only" category as described above; they will be removed from that category upon obtaining party status.*

## **8. Subscription Service**

Persons may monitor the proceeding by subscribing to receive electronic copies of documents in this proceeding that are published on the Commission's website. There is no need to be on the official service list in order to use the subscription service. Instructions for enrolling in the subscription service are available on the Commission's website at <http://subscribecpuc.cpuc.ca.gov/>.

## **9. Intervenor Compensation**

Intervenor Compensation is permitted in this proceeding. Pursuant to Pub. Util. Code § 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation within 30 days after the prehearing conference. Parties new to participating in Commission proceedings may contact the Commission's Public Advisor.

All intervenor compensation filings and findings from R.11-03-013 will be transferred to the new rulemaking, and parties need take no further action to transfer these findings. Parties who previously filed a notice of intent to claim intervenor compensation in R.11-03-013 do not need to file a new notice in this rulemaking. Intervenor compensation claims filed in this rulemaking may include hours attributed to R.11-03-013 for contributions to decisions issued in this rulemaking. Parties should file intervenor compensation claims in R.11-03-013 for all contributions to decisions issued in R.11-03-013.

## **10. Public Advisor**

Any person or entity interested in participating in this rulemaking who is unfamiliar with the Commission's procedures should contact the Commission's Public Advisor in San Francisco at (415) 703-2074 or (866) 849-8390 or e-mail [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov). The TTY number is (866) 836-7825.

## **11. Public Outreach**

We will serve this order by electronic mail on all parties and stakeholders on the service list of R.11-03-013. Any additional public outreach to be conducted will be described in the scoping memo.

**O R D E R**

**IT IS ORDERED** that:

1. This Order Instituting Rulemaking is adopted pursuant to Rule 6.1 of the Commission's Rules of Practice and Procedure.
2. The preliminary categorization is quasi-legislative.
3. The preliminary determination is that a hearing is not needed.
4. The preliminary scope of issues is stated above in Section 4.
5. The preliminary schedule for this proceeding is set in Section 4 above.
6. All parties to Rulemaking 11-03-013 shall be automatically made parties in this new proceeding.
7. All intervenor compensation filings and findings from Rulemaking 11-03-013 will be transferred to this new proceeding.
8. We hereby incorporate into the record of this new proceeding the record created in Rulemaking 11-03-013.
9. The Executive Director will cause this Order Instituting Rulemaking to be served on the service list for Commission Rulemaking 11-03-013.

This order is effective today.

Dated February 27, 2020, at San Francisco, California.

MARYBEL BATJER

President

LIANE M. RANDOLPH

MARTHA GUZMAN ACEVES

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

Commissioners