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Decision 21-09-004 September 9, 2021

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

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| Order Instituting Rulemaking Regarding Revisions to the California Advanced Services Fund. | Rulemaking 20-08-021 |

DECISION MODIFYING THE CALIFORNIA ADVANCED SERVICES FUND BROADBAND ADOPTION ACCOUNT ELIGIBILITY REQUIREMENTS RELATED TO PARTICIPATION IN DIGITAL LITERACY PROJECTS

Summary

This decision expands eligibility for households that complete a digital literacy training course offered under the California Advanced Services Fund Broadband Adoption Account to receive take-home computing devices. It adds California Alternative Rates for Energy to the list of programs that qualify participants to receive a take-home device. The decision also allows households with incomes that are at or below the thresholds required for participation in any of the listed programs to receive a take-home device, even if they are not enrolled in any of the programs.

The proceeding remains open.

# Background

The California Advanced Services Fund (CASF) Broadband Adoption Account Application Requirements and Guidelines (Adoption Account Guidelines) authorize grants to local governments, senior centers, schools, public libraries, nonprofit organizations, and community-based organizations with programs to increase publicly available or after school broadband access and digital inclusion, such as digital literacy training programs. Digital Literacy Projects may provide take-home computing devices to qualifying low-income households that complete digital literacy training courses, with funding for the take-home devices reimbursed by CASF.

Pursuant to Decision (D.) 19-02-008, currently "only households that participate in the Supplemental Nutritional Assistance Program, the National School Lunch Program, or the Women, Infants, and Children Program are eligible to receive computing devices to take home after completing digital literacy training courses."

On April 26, 2021, the assigned Administrative Law Judge (ALJ) issued a staff proposal recommending expanding the eligibility criteria for low-income households to be able to receive computing devices to take home after completing digital literacy training courses.[[1]](#footnote-2) The staff proposal recommends:

Adding California Alternative Rates for Energy (CARE)[[2]](#footnote-3) to the above list of programs, and

Allowing households to qualify to receive a take-home device if their income is at or below the threshold required for participation in any of the listed programs, even if the household is not enrolled in any of the programs.

Comments were filed on May 10, 2021 by Greenlining Institute and The Utility Reform Network (Greenlining and TURN), and by National Diversity Coalition (NDC). Reply comments were filed on May 17, 2021 by NDC.

# Discussion

Parties unanimously supported the staff proposal. However, Greenlining and TURN interpret the proposal as replacing the current program enrollment‑based eligibility criteria with income-based criteria, rather than as an expansion.[[3]](#footnote-4) NDC argues that additional income-related reporting requirements are warranted for grantees that do not specifically serve low-income communities.[[4]](#footnote-5)

The Commission agrees with parties that the staff proposal better achieves the Commission’s intent, first expressed in D.18-06-032, for the Adoption Account Guidelines to enable low-income households to receive take-home computing devices after completing digital literacy training classes.[[5]](#footnote-6) The Commission adopts the staff proposal, with the clarification that either program enrollment or income may be used to qualify a participant to receive a take-home computing device after completing digital literacy training courses.

The Commission sees no reason to add reporting requirements at this time. Grantees have not historically been required to provide the types of information NDC recommends, and they are already required to maintain all relevant documentation for three years after final payment. This documentation is subject to Commission audit and review at any time within three years after the grantee incurs the expense being audited.[[6]](#footnote-7) Any misuse of program funds can be discovered and addressed through the existing audit process, which the Commission believes strikes a reasonable balance between accountability and administrative efficiency.

Moreover, all currently authorized Digital Literacy Project grants specifically serve low-income communities. Adopting the reporting requirements suggested by NDC relating to non-low-income communities would therefore have no practical impact at this time, and thus no benefit. The Commission may revisit the issue and the need for additional CASF Adoption Account reporting requirements in the future.

# Conclusion

Consistent with the discussion in Section 2 above, the Commission modifies the CASF Adoption Account Guidelines Section 1.7, adopted in D.19‑02-008, as set forth below (additions in underlined text):

For Digital Literacy Projects, only households with incomes at or below the thresholds required to participate in, or that participate in, the California Alternative Rates for Energy (CARE), the Supplemental Nutritional Assistance Program, the National School Lunch Program, or the Women, Infants, and Children Program are eligible to receive computing devices to take home after completing digital literacy training courses.

CARE income thresholds are set pursuant to D.16-11-022 at 18 and Pub. Util. Code, §739.1(a). For a household of four, the income threshold is $53,000 through May 31, 2022. The threshold is updated regularly in the CARE proceeding, A.19‑11-003, et. al. As of July 15, 2021, current CARE income guidelines are available at <https://www.cpuc.ca.gov/consumer-support/financial-assistance-savings-and-discounts/california-alternate-rates-for-energy>.

Staff shall update the Adoption Account Guidelines accordingly, publish the revised version on the Commission website, and serve the updated Adoption Account Guidelines on the Service List of this proceeding within 30 days after the issue date of this decision. In this update, Staff may place some of the above content in a footnote for improved legibility. Staff may also rectify any non-substantive typographical errors found in the Adoption Account Guidelines. The modifications set forth above shall be effective as of the date of issuance of this decision.

# Comments on Proposed Decision

The proposed decision of Commissioner Darcie L. Houck 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 August 25, 2021 by Greenlining Institute, and no reply comments were received.

Greenlining Institute supports the proposed decision in light of the administrative barriers the proposed eligibility changes will address, which should ease burdens on CASF grantees and low-income families to qualify for devices.[[7]](#footnote-8) The proposed decision has not been substantively modified in response to party comments.

# Assignment of Proceeding

Darcie L. Houck is the assigned Commissioner and Valerie U. Kao is the assigned ALJ in this proceeding.

Findings of Fact

Allowing households with incomes at or below the threshold for participation in one or more approved low-income programs, regardless of whether the household is enrolled in any of those programs, will better enable low-income households to qualify to receive take-home computing devices following completion of digital literacy training courses.

Including the CARE program in the list of approved low-income programs will better enable low-income households to qualify to receive take-home computing devices following completion of digital literacy training courses.

Conclusions of Law

Households with incomes at or below the thresholds required to participate in, or that participate in, CARE, the Supplemental Nutritional Assistance Program, the National School Lunch Program, or the Women, Infants, and Children Program should be eligible to receive computing devices to take home after completing digital literacy training courses.

Current auditing and reporting requirements for Digital Literacy Project grantees are reasonable and sufficient.

The CASF program Adoption Account Guidelines should be modified as set forth in this decision.

Commission Staff should be authorized to update the Adoption Account Guidelines in accordance with this decision and to publish an updated version of the Adoption Account Guidelines to the Commission’s website.

ORDER

**IT IS ORDERED** that:

1. The California Advanced Services Fund program Broadband Adoption Account Application Requirements and Guidelines are modified as set forth below (additions in underlined text), effective as of today’s date:

For Digital Literacy Projects, only households with incomes at or below the thresholds required to participate in, or that participate in, the California Alternative Rates for Energy (CARE), the Supplemental Nutritional Assistance Program, the National School Lunch Program, or the Women, Infants, and Children Program are eligible to receive computing devices to take home after completing digital literacy training courses.

CARE income thresholds are set pursuant to D.16-11-022 at 18 and Pub. Util. Code, §739.1(a). For a household of four, the income threshold is $53,000 through May 31, 2022. The threshold is updated regularly in the CARE proceeding, A.19‑11-003, et. al. As of July 15, 2021, current CARE income guidelines are available at <https://www.cpuc.ca.gov/consumer-support/financial-assistance-savings-and-discounts/california-alternate-rates-for-energy>.

1. Staff shall update the California Advanced Services Fund program Broadband Adoption Account Application Requirements and Guidelines (Guidelines) in accordance with the modifications adopted in this decision, publish the updated Guidelines on the California Public Utilities Commission website, and serve the updated Guidelines to the Service Lists of this proceeding within 30 days after the issue date of this decision.
2. This proceeding remains open.

This order is effective today.

Dated September 9, 2021, at San Francisco, California

MARYBEL BATJER

 President

MARTHA GUZMAN ACEVES

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

DARCIE HOUCK

 Commissioners

1. E-mail Ruling Requesting Comment on Staff Proposal -Revisions to Decision 19-02-008 [Rulemaking 20‑08-021], April 26, 2021. [↑](#footnote-ref-2)
2. The CARE program provides discounts on energy bills for low-income customers. *See*, A.19‑11-003, et. al. [↑](#footnote-ref-3)
3. *See* Opening Comments of Greenlining and TURN (May. 10, 2021) at 2-3. [↑](#footnote-ref-4)
4. *See* Opening Comments of NDC (May. 10, 2021) at 4. [↑](#footnote-ref-5)
5. *See* D.18-06-032 at 20-21. [↑](#footnote-ref-6)
6. *See* D.19-02-008, Appendix 1, at 12. [↑](#footnote-ref-7)
7. *Opening Comments of the Greenlining Institute to the Assigned Commissioners’ Ruling Revising California Advanced Services Fund Eligibility* (sic), filed August 26, 2021, at 2. [↑](#footnote-ref-8)