

Decision 25-08-025

August 14, 2025

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation into the Operations and Practices of TC Telephone to Determine Whether Respondents Violated the Laws, Rules, and Regulations of this State Governing the California Universal LifeLine Program.

Investigation 22-10-007

**ORDER MODIFYING AND DENYING REHEARING
OF DECISION 25-03-011, AS MODIFIED**

This Order addresses the application for rehearing of Decision (D.) 25-03-011 (Decision) filed by TC Telephone LLC (TC Telephone). In the Decision, as relevant here, we ordered TC Telephone to reimburse the California LifeLine Fund in the amount of \$8,157,469.39, plus interest in the amount of \$1,631,494.00, by check or money order, payable to the California Public Utilities Commission (Commission).

TC Telephone timely filed an application for rehearing of the Decision on April 11, 2025. TC Telephone alleges that the Decision erred by (1) improperly applying substantive changes to reimbursement rules for LifeLine services retroactively; (2) disregarding language in Resolution T-17687 that is prospective, in violation of the plain language rule; (3) violating the bar against retroactive rulemaking in Public Utilities Code section 728; (4) violating due process by penalizing TC Telephone for violation of a vague rule; (5) creating an “impossible process” for TC Telephone; (6) repudiating staff determinations; (7) disincentivizing participation in LifeLine; (8) applying an incorrect section of GO 153 to TC Telephone’s reimbursement claims; and (9) ordering TC Telephone to pay interest.

We have carefully considered all the allegations of error raised in the rehearing application. We find that modifications to the Decision are warranted to clarify

the holding regarding the application of two prior Commission decisions. The Decision finds that TC Telephone “violated” Decisions 92-11-063 and 94-10-046. Both of these decisions apply General Order (GO) 153. TC Telephone’s violation is of the underlying GO 153, not of the decisions applying it, which serve to show how the Commission has understood and applied GO 153 for more than thirty years. To clarify this, we modify the Decision as set forth in the ordering paragraphs below.

As modified, we do not find grounds for rehearing. Therefore, rehearing of the Decision is denied.

THEREFORE, IT IS ORDERED that:

1. Decision 25-03-011 is modified as follows:

- a. On page 2, the sentence that reads “This Modified Presiding Officer’s Decision finds that TC Telephone LLC (TC Telephone) over-collected \$8,157,469.39 from the California LifeLine Fund in violation of the Moore Universal Telephone Service Act, Commission General Orders 153 and 96-B, Resolutions T-17321 and T-17687, and Decisions 92-11-063, 94-10-046, and 00-10-028.” is deleted.

The following is added in its place:

“This Modified Presiding Officer’s Decision finds that TC Telephone LLC (TC Telephone) over-collected \$8,157,469.39 from the California LifeLine Fund in violation of the Moore Universal Telephone Service Act, Commission General Orders 153 and 96-B, and Resolutions T-17321 and T-17687.”

- b. The heading of section 4.3 stating “TC Telephone Violated Commission Decisions 92-11-063 and 94-10-046 and GO 153 When it Sought Reimbursement of Calls Beyond Subscriber’s First 60 Calls” is deleted.

The following heading is added in its place:

“TC Telephone Violated GO 153 When it Sought Reimbursement of Calls Beyond Subscriber’s First 60 Calls.”

- c. On page 28, the sentence that reads “Accordingly, we find that TC Telephone violated Commission Decisions 92-11-063 and

94-10-046 and GO 153 when it sought reimbursement beyond a subscriber's first 60 calls." is deleted.

The following is added in its place:

"Commission Decisions 92-11-063 and 94-10-046 demonstrate that for more than thirty years, the Commission has consistently interpreted GO 153 to not allow reimbursement from the ULTS fund for measured rate calls beyond the 60 untimed call allowance. Accordingly, these decisions support the finding that TC Telephone violated GO 153 when it sought reimbursement beyond a subscriber's first 60 calls."

- d. Conclusion of Law No. 2, stating "It is reasonable to conclude that TC Telephone violated Commission Decisions 92-11-063 and 94-10-046 and GO 153 when it sought reimbursement for calls beyond a subscriber's first 60 calls per month" is deleted.

The following is added in its place:

"It is reasonable to conclude that TC Telephone violated GO 153 when it sought reimbursement for calls beyond a subscriber's first 60 calls per month."

2. As modified, the application for rehearing of Decision 25-03-011 is denied.
3. Investigation (I.) 22-10-007 is closed.

This order is effective today.

Dated August 14, 2025, at Sacramento, California.

ALICE REYNOLDS
President
DARCIE L. HOUCK
JOHN REYNOLDS
KAREN DOUGLAS
MATTHEW BAKER
Commissioners