California Public Utilities Commission

Staff Proposal on LifeLine Specific Support Amount and Minimum Service Standards

COMMUNICATIONS DIVISION

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Executive Summary

The California LifeLine Program (California LifeLine or CA LifeLine) provides discounted home phone, cell phone services, or a bundled combined voice and broadband service to eligible low-income households. California LifeLine provides a fixed dollar subsidy, known as the specific support amount (SSA), regardless of the service provider. The program also sets minimum service standards (MSS) that participating service providers must meet or exceed.

On October 30, 2023, the California Public Utilities Commission's (CPUC) Communications Division staff (staff) proposed updates to the methodology for calculating the SSA and MSS to better address the evolving communications needs of low-income Californians. Following the parties' feedback, the staff analyzed various data sources, including data from market studies, the CPUC's affordability ratio metric, and CA LifeLine, to refine and improve the affordability of wireless plans with Commission-set copayments for enhanced service tiers. Additionally, staff propose strengthening California specific non-usage rules and adjusting activation and connection charges. These recommendations are intended to support active program participants while also maintaining program integrity and preventing waste.

Summary of Staff Proposal

Staff proposes updating the methodology for calculating the specific support amount (SSA) and minimum service standards (MSS) to better meet the evolving communication needs of low-income Californians. The proposed revisions to the California LifeLine Program are as follows:

- **Update the methodology used for the SSA to align with the MSS:**
  Staff proposes to delink from the Carrier of Last Resort (COLR)-based SSA methodology and implement a "Set Price" SSA framework. This new methodology will directly link the subsidy level to the proposed enhanced MSS, ensuring that the funding effectively supports the delivery of improved services to participants. Under the Set Price SSA, staff will conduct an annual market analysis to evaluate affordability and any market changes, ensuring necessary adjustments to the SSA and MSS.

- **Establish and update the MSS to maximize benefits for customers, including improved broadband service:**
  Staff recommends significant updates to the MSS for both wireless and wireline services to 1) ensure participants have access to the broadband speeds and data allowances necessary for modern life, 2) align with federal standards for broadband service within the Lifeline program, and 3) actively work towards bridging the digital divide in the state.

- **Establish affordable copayment wireless plans:**
  To fulfill the affordability review required in Decision (D.) 21-09-023, staff proposes a framework that enables the offering of affordable wireless service plans where participants' copayment is based upon the services offered in enhanced service tiers.

- Wireless: Fixed Plans with Copay Component[1]
    - Tier 1 (Basic): 6 GB at $13.00 SSA
    - Tier 2 (Standard): 15 GB at $19.00 SSA
    - Tier 3 (Family Line 1) 15 GB at $19.00 SSA
    - Tier 4: 25 GB + 10 GB hotspot: at $20.00 SSA + $5.00 copay
    - Tier 5: 40 GB + 20 GB hotspot: at $20.00 SSA + $10.00 copay

- Wireline: 55 percent of each service providers' basic rate
    - Tier A – Voice Plan: at $19.00 SSA.
    - Tier B - Bundled Plan: A broadband connection with speeds of 100/20 Mbps and 1,230 GB per month data allowance at $21.00 SSA.

- **Update non-usage rules:**
Staff proposes updates to the program's non-usage rules, to ensure the California LifeLine Fund effectively supports active participants while maintaining program integrity and preventing waste.

- **Update wireless activation/connection charge:**
Staff recommends reducing the California LifeLine wireless activation or connection reimbursement from two discounts per year, capped at $39.00, to one discount per year, capped at $15.00.

Background

Since its creation by the Moore Universal Telephone Service Act (Act)[2] of 1984, California LifeLine has provided essential communications services for low-income, vulnerable Californians. Today, participating carriers (service providers) now offer California LifeLine participants both voice and broadband services. Over the years, there have been modifications to the program, such as the inclusion of wireless, Voice over Internet Protocol (VoIP), and the addition of the Foster Youth Program. Below is information on the program's SSA methodology, MSS, current program rates, as well as key federal policies.

SSA through the Carrier of Last Resort Methodology

The current SSA methodology used for the CA LifeLine program is based on statutory requirements and Commission decisions. Public Utilities Code Section 874 requires that LifeLine telephone service rates not be more than 50 percent of the rates for basic flat rate service, exclusive of federally mandated end-user access charges, available to the residential subscriber.

In 2010, the Commission approved Decision (D.)10-11-033, which provided LifeLine support to

[1] Wireless service plan tiers are based on advertised retail market service plans and approved California LifeLine service plans that include copayments.
[2] The Moore Act is the basis for Public Utilities Code section 871-884.5.

consumers and required the Commission to monitor impacts on ratepayers, ensure the basic rate remained just and reasonable, and that LifeLine rates remain affordable. The 2010 Decision established a Carrier of Last Resort (COLR)[3] methodology that set the maximum SSA at 55 percent of California's highest basic residential rate COLRs. Table 1 presents historic COLR rates from the major service providers in California, who are required to submit their basic residential service rates for staff review.[4]

Table 1. California COLR basic flat service rates from 2016-2024.

COLR (Wireline)	2016	2017	2018	2019	2020	2021	2022	2023	2024
AT&T	$25.00	$26.00	$27.00*	$27.00*	$27.00*	$29.50	$32.50	$34.50	$37.50
Consolidated	$21.99	$21.99	$21.99	$21.99	$24.44	$24.44	$26.44	$28.44	$32.44
Frontier	$21.50	$22.00	$22.00	$22.00	$22.50	$22.50	$22.50	$24.50	$24.50
Frontier-CA	$22.00	$22.00	$22.00	$22.50	$22.50	$22.50	$22.50	$23.50	$25.00

* COLR rates were static during the COVID-19 pandemic

Table 2. California LifeLine SSA based on COLR SSA Methodology.

	2017	2018	2019	2020	2021	2022	2023	2024	2025
CA LifeLine SSA	$13.75	$14.30	$14.85	$14.85	$14.85	$16.23	$17.90	$19.00	$19.00

The highest COLR's basic flat service rate is used by staff to set the annual SSA for the upcoming year. This information is shared with the public and service providers through an SSA administrative letter.

Table 2 above shows the SSA increases are based on the established methodology. In the SSA Administrative Letter- 2024[5], the SSA was raised to $19.00 based on 55 percent of AT&T's 2023 basic rate of $34.50. Although the SSA was scheduled for another increase in 2025,[6] the Commission approved a temporary freeze, maintaining the SSA at $19.00 through D.24-12-006.

For SSA reimbursement, carriers file claims with the CPUC for staff review and approval. For each service provider, the CA LifeLine reimbursement is calculated by deducting the applicable federal Lifeline subsidy from their basic rate and then deducting the California SSA. The customer is responsible for any amount remaining after the federal Lifeline subsidy and SSA are deducted from the basic service rate.

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[3] A Carrier of Last Resort (COLR) is a telecommunications company that is required to offer basic telephone service to anyone who asks for it in a certain area — no matter where they live or what their income is. This ensures that all Californians have access to essential, reliable, and affordable telecommunications service. There are 16 COLRs in California. AT&T is the biggest, covering large parts of the state. Frontier is the second largest. Carriers of Last Resort are obligated to provide California LifeLine as part of Basic Service.

[4] COLRs are required to file with the Commission their basic residential service rates effective July 31 each year. This is used to compute the SSA. The SSA for the following calendar year is based on the highest basic residential service rate of all the COLRs.

[5] https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/lifeline/notices-for-carriers/admin-letters/ssa/ssa-administrative-letter-2024.pdf

[6] https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/lifeline/notices-for-carriers/admin-letters/ssa/ssa-administrative-letter-2025.pdf

California LifeLine Added Wireless and VoIP Technologies

The 2010 Decision approved the participation of non-traditional service providers, such as wireless and VoIP carriers, in CA LifeLine. In D.14-01-036 (2014 Decision), the Commission further developed rules for CA LifeLine wireless service. The 2014 Decision ensured that minimum communication needs were met across technology platforms.[7] The 2014 Decision also required the Commission to continue to monitor the California LifeLine marketplace and take further action if 1) California LifeLine services became unaffordable; 2) participants' communications needs were not adequately met, 3) the CPUC's and Moore Act's goals of promoting public safety, the economy, and civic participation through California LifeLine were not being achieved, or 4) the program needed adjustment to ensure that ratepayer funds were used prudently and in a fiscally sound manner.[8]

Despite the introduction of new service provider technologies in the program, the Commission has continued using the COLR methodology to calculate the SSA. The Commission has provided the SSA to wireless and VoIP services because it found it necessary to maintain affordability, meet communications needs, promote public safety and technology neutrality, and ensure that ratepayer funds are used prudently and in a fiscally sound manner.[9]

Current California LifeLine Rates

California LifeLine has a wide range of SSA and MSS available to CA LifeLine participants. On December 5, 2024, the Commission adopted D. 24-12-006 to temporarily freeze the SSA for wireless and wireline providers at $19.00 per month from January 1, 2025, through December 31, 2026, or until the Commission establishes a new methodology for calculating the SSA, whichever occurs first.

For wireless services, both SSA and MSS are available, with service providers offering three plans that include unlimited voice minutes and text messaging, all of which meet or exceed the Federal Communications Commission (FCC) minimum speed and data allowance requirements:[10]

- Basic Plan has a monthly data allowance of 4.5 GB and an SSA of up to $12.85.
- Standard and Family[11] Plans each offer a monthly data allowance of 6 GB and an SSA of up to $19.00.

For wireline services, there are two plans available:

- Standard Flat Plan is voice only with an SSA of up to $19.00.

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[7] D.14-01-036 at 48.
[8] *Id.* at 37.
[9] Id.
[10] https://www.usac.org/lifeline/rules-and-requirements/minimum-service-standards/#Minimum.
[11] Family Plan additional lines do not receive a CA LifeLine subsidy. Family Plan line 1 terms and conditions are subject to Tier 2 advice letter review. A Family Plan is an addition to the Standard Plan. If a participant fails to make Family Plan co-payments, Family Plan line 1 reverts to the Standard Plan

- Bundled Plan is set at 1,230 GB fixed broadband data and wireline voice service with an SSA of up to $19.00.

The complete list of authorized service providers and plans is available at www.cpuc.ca.gov - Program Information.

California LifeLine also makes up the full amount of federal support that Program participants who only meet California eligibility criteria would have received if they had met federal eligibility requirements pursuant to D.20-02-042.[12] These California-only participants are eligible for funding comparable to what typical California LifeLine participants receive with federal Lifeline subsidies.

Affordability Review of Copayment or Prepayment Plans

In 2020, in response to the COVID-19 public health emergency, the Commission issued D.20-10-006, which adopted the MSS and SSA for California wireless LifeLine plans. The Commission determined that LifeLine participants needed improved wireless telephone and mobile broadband service offerings for distance learning, telehealth, and other essential needs and, accordingly, set minimum service standards requiring wireless carriers who seek California LifeLine subsidies to provide a $0 copay for low-income consumers. Staff analysis also found that while California was providing the highest state subsidy, California subscribers were not receiving better services than other states.

On September 23, 2021, the Commission adopted D.21-09-023, stating that it would consider developing affordability rules for wireless plans with copayments in this or a future proceeding. To fulfill the required affordability review, staff propose new service standards for wireless plans, which include two copayment options for CA LifeLine wireless plans.[13]

There are 24 approved CA LifeLine wireless service plans that offer data options exceeding the current MSS of 6 GB. These plans range from 9 GB of data to unlimited data and are available both with and without hotspot capabilities. The copayment for these plans varies from $0.83 to $31.00. As of March 2025, 32,368 subscribers are enrolled in a copayment plan. It is important to note that copayment amounts can differ significantly among service providers for similar service offerings.

Affordable Connectivity Program

COVID-19 also prompted the FCC to act and adopt the Emergency Broadband Benefit Program (EBB) Report and Order[14] to support broadband services and connected devices to help low-income households

[12] In the FCC's 2016 Lifeline Order, the FCC removed certain programs used to determine a participant's program eligibility for the federal Lifeline program. To ensure that all Californians would continue to benefit from the CA LifeLine program without being compromised by the 2016 Lifeline Order, the CPUC approved D.20-02-042 which authorized CA LifeLine to subsidize or "make up" the federal Lifeline funding loss for Californians who otherwise would have been eligible for the federal Lifeline program. These are called "California-Only" participants.
[13] D.21-09-023 at p. 20.
[14] FCC-21-29A1_Rcd.pdf

stay connected during the pandemic. The 2021 Infrastructure Investment and Jobs Act replaced the EBB Program with a new broadband affordability program, the Affordable Connectivity Program (ACP).[15]

The Commission allowed California LifeLine service providers to combine EBB, federal Lifeline, and CA LifeLine subsidies until March 2022 on EBB plans approved by the FCC. On February 22, 2023, the assigned Administrative Law Judge (ALJ) issued a Ruling to (a) direct wireline service providers to provide data regarding broadband service subscription levels and prices; and (b) request party comments on a proposed ACP pilot to leverage ACP funds to provide affordable broadband services to California LifeLine participants.

On June 28, 2023, the Commission adopted D.23-06-003, approving two ACP pilot programs for CA LifeLine participants to leverage federal ACP funds to test new approaches for providing essential broadband services. Below are tables with detailed requirements for wireless and wireline ACP pilot programs. In California, over 2.9 million households participated (including wireless and wireline service) in the federal ACP program, indicating that participants were interested in more robust data plans.[16] In implementing the ACP pilot programs, staff collected data on broadband usage, hotspot data and more from service providers.[17] Three wireless and one wireline service providers participated in the ACP pilot. During the pilot, 92,000 participants enrolled (15,000 in Tier A and 77,000 in Tier B) and the average wireless data usage for pilot participants was 29 GB. The ACP Pilot ended on May 31, 2024, when federal ACP funding ran out.

Table 3. ACP Pilot Plans.

Wireless ACP Pilot Service Requirements	**Tier A**	**Tier B**
Combined Subsidy (Maximum)	$57.15	$49.88
Portion of Combined Subsidy from California LifeLine (Maximum)	$17.90	$10.63
Subscriber Copayments Permitted	No	No
Free 4G LTE Smartphone with Hotspot Capability	Included	Included
Unlimited Mobile Data, Voice, and Text Messages (Data Speed cannot drop below 3G)	50 GB	30 GB
Minimum Subscriber Mobile Data per Month before Mobile Data Speeds May be Reduced Below 4G Data Speeds	150 GB	80 GB
Wireline ACP Pilot Service Requirements*	**Home Broadband Service**	**Bundled Service with VoIP and Home Broadband**
Combined Subsidy (Maximum)	$57.15	$57.15
Portion of Combined Subsidy from California LifeLine	$17.90	$17.90

[15] FCC-22-2A1_Rcd.pdf
[16] ACP Enrollment and Claims Tracker - Universal Service Administrative Company
[17] D.23-06-003 at Ordering Paragraph (OP) 4 and OP 5.

Wireless ACP Pilot Service Requirements	Tier A	Tier B
(Maximum)		
Subscriber Copayments Permitted**	Yes	Yes
Speeds of 100/20 Mbps or Higher***	Included	Included
Data Allotment per Month in GB****	1280 GB	1280 GB
Additional Requirements for 911 Service	Yes*****	No

* ISPs may participate if partnered with a California LifeLine service provider that will be legally responsible for the ISP's compliance with program rules and requirements.
**Subscriber copayments are permitted for the wireline ACP pilot as subscribers in rural locations may require more expensive plans for adequate service than what combined subsidies cover.
***Exceptions for plans with speed lower than 100/20 Mbps may be permitted if the service provider certifies to the Communications Division staff that the plan is the highest speed available at the subscriber's location.
****FCC MSS at the time of the pilot.
*****Service providers must inform people interested in home broadband service that it does not include voice service for 911 calls. Service providers must obtain a phone number from a subscriber that the subscriber can use for 911 calls.

Staff Analysis and Considerations

California LifeLine Participant Communications Needs

As participant preferences shift, it is critical for California LifeLine to ensure that participants continue to have appropriate access to high-quality, affordable communication services. The current SSA methodology for CA LifeLine is based on the 2010 Decision using the highest COLRs rates as a basis for subsidizing participant plans. Yet, much has changed since the 2010 Decision, and updating the COLR methodology would help the program adapt to the evolving communications landscape and the needs of CA LifeLine participants.

Within the program, there have been significant changes in subsidized technologies and program participation. In 2010, CA LifeLine exclusively funded wireline voice service. Today, CA LifeLine supports a broader range, including voice services, wireline broadband bundles, wireless bundles, and VoIP. This shift in communications technology has also reflected changes in CA LifeLine participant needs and preferences. Since the inclusion of wireless service in the 2014 Decision, over 91 percent of California LifeLine participants now use wireless service,[18] while only 9 percent continue to choose wireline services.

Following the COVID-19 pandemic, an increased demand for high-quality broadband service for education, telehealth, and remote work has increased. Even in the post-pandemic period, the need for reliable broadband service remains strong as communication shifts toward remote platforms. Staff believe it is reasonable to expect further shifts in participant preferences, potentially leading to an increased demand for broadband services within the California LifeLine program.

[18] California LifeLine Related Forms and Notices for Service Providers, TPA Subscriber Count 2024.

Modernizing the SSA to Reflect Changes in Technology

The current CA LifeLine SSA has not yet been updated to accurately incorporate new technologies and the ways that participants rely on accessing broadband data.

The SSA has been based on the COLR with the highest rates, which has historically been AT&T. Yet, AT&T's basic rates, as well as the frequency of rate increases, are an outlier amongst COLRs (see Table 1). AT&T's basic residential rates have consistently increased yearly, not including 2020 and 2021, due to the COVID-19 pandemic. Moreover, AT&T rates have increased 38 percent from 2017 to 2024, whereas Frontier's rates increased 13.95 percent for the same period.

Staff find that after reviewing market trends, program data, and data from other states, it is necessary to adjust the California LifeLine SSA**.** The federal Lifeline and other state Lifeline rates have stayed flat for several years and at times states have increased the MSS for wireless service providers without increasing the support amount. This suggests that making annual adjustments is not necessary to provide customers with robust offers. Moreover, staff have observed that some wireless MSS rates in other states, which combine state and federal subsidies, are significantly lower than those available in California, as shown in Figure 1. Oregon is an exception; it offers a wireless MSS with unlimited data and a $10 subsidy. These observations indicate that California's SSA might be too high relative to the MSS offered to LifeLine participants. Consequently, staff sees this as an opportunity to reevaluate the SSA to ensure that California LifeLine participants benefit more effectively from the program.

Additionally, the COLR methodology was developed 15 years ago, before broadband was considered an essential communications service. The SSA has been insufficient to support widespread adoption of wireline voice bundled with broadband, a service that is only being provided to about 4 percent of all California LifeLine wireline participants, or about 0.7 percent of the overall California LifeLine population. The success of federal ACP indicates many Californians are interested in broadband, and CA LifeLine can move towards providing subsidies commensurate with ACP.[19]

Data Analysis

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.

Staff gathered information on the availability of retail data from various carriers' advertised service plans and costs. The findings revealed that many carriers offer limited data plans, as shown in Table 4, while the majority provide unlimited plans.

[19] Rulemaking 20-02-008. The Assigned Commissioner issued a ruling on April 16, 2025, seeking comments on the Home Broadband Adoption Report. Opening comments are due by May 16, 2025, and reply comments are due by May 28, 2025.

Table 4. Advertised Data Plans.

Service Plans	Data Allowance	Advertised Price
Tello	5 GB	$14.00
GEN Mobile	5 GB	$20.00
Consumer Cellular	5 GB	$25.00
AT&T	5 GB	$30.00
Cricket Wireless	5 GB	$30.00
TracFone	6 GB	$25.00
Average Price - Plans with 5 GB to 6 GB of data		**$24.00**
Tello	10 GB	$19.00
TracFone	10 GB	$30.00
Consumer Cellular	10 GB	$35.00
T-Mobile	10 GB	$40.00
Cricket Wireless	10 GB	$40.00
GEN Mobile	11 GB	$30.00
Average Price - Plans with 10 GB to 11 GB of data		**$32.00**
Mint Mobile	15 GB	$20.00
Tello	15 GB	$24.00
Total Wireless	15 GB	$30.00
Simple Mobile	15 GB	$40.00
GEN Mobile	17 GB	$40.00
Average Price - Plans with 15 GB to 17 GB of data		**$31.00**
Mint Mobile	20 GB	$25.00
TracFone	20 GB	$40.00
Consumer Cellular	20 GB	$45.00
SafeLink Wireless	25 GB	$28.25
Verizon	25 GB	$60.00
Average Price - Plans with 20 GB to 25 GB of data		**$40.00**

Access 05/01/2025: Shop No-Contract Plans For Basic & Smartphones | Tracfone Wireless, Cell Phone Plans | Consumer Cellular, Switch to 5G Prepaid Plans | Gen Mobile, Phone Plans with Unlimited Talk, Text, & Data | Mint Mobile, View All No-Contract Phone Plans | Simple Mobile; 15GB Data Plan $30 - Total Wireless. Access 05/12/2025: Best Prepaid Phone Plans | 5G Nationwide & More | Verizon Prepaid, Compare Our Best Prepaid Phone Plans | T-Mobile Prepaid, Gen Mobile | Affordable Prepaid Phone Plans and Cell Phones, Choose your plan, Build Your Own Plan | Mix Minutes & Data | Free Text in Any Plan,

Table 5 presents the unlimited plans advertised by wireless service providers, including their throttling speeds. The analysis aims to assess the fairness and reasonableness of current LifeLine rates as they relate to market pricing.

Table 5. Advertised Unlimited Plans.

Service Plans	Throttle	Hotspot	Advertised Price
Boost Mobile	30 GB, reduced to 512 Kbps	NA	$30.00
Metro by T-Mobile	35 GB, slower speed	NA	$40.00
Metro by T-Mobile	35 GB, slower speed	8 GB	$55.00
Cricket Wireless	Reduced speed due to congestion	NA	$55.00
Verizon	Reduced speed due to congestion	5 GB	$50.00
AT&T	Reduced speed due to congestion	5 GB	$65.99
Straight Talk	Reduced speed due to congestion	10 GB	$45.00
Cricket Wireless	Reduced speed due to congestion	15 GB	$60.00
Straight Talk	Reduced speed due to congestion	Unlimited	$65.00
Visible Wireless	Premium unlimited data on Verizon's 5G Ultra-Wideband	Unlimited as a WiFi connection	$40.00
Verizon	Hotspot speeds reduced to up to 6 Mbps	30 GB	$80.00
Boost Mobile	50 GB, reduced to 512 Kbps	Include in data plan	$60.00
AT&T	50 GB, reduced speed during congestion	25 GB	$55.00
T-Mobile	50 GB, reduced speed due to data prioritization	Unlimited 3G hotspot included	$55.00

Access 06/20/2025: Mobile Phone PlansOur Best Unlimited Cell Phone Plans - Compare Plans| Boost Mobile; Prepaid Phone Plans With 5G Nationwide | Cricket Wireless; Shop Prepaid Phone Plans with Unlimited Data | Metro by T-Mobile; Unlimited Prepaid Wireless Phone Plans - Straight Talk; Prepaid Data Plans for Hotspots, Tablets, or Smartwatch | Verizon Prepaid; myPlan: Best Unlimited Cell Phone Plans with 3 Year Price Lock | Verizon; Wireless Plans: Our Most Affordable Cell Phone Plans | AT&T; Prepaid Phone Plans: Unlimited High-Speed Data & 5G I AT&T; Our Best Unlimited Data Cell Phone Plans: Compare Experience Plans; Compare Our Best Prepaid Phone Plans | T-Mobile Prepaid; Visible Unlimited Prepaid Phone Plans | No Annual Contract

State Subsidies and MSS

In 2023, staff submitted a data request to gather information about subsidies and data allowances offered across various states. This data has since been updated to include information for years 2024 and 2025. The findings reveal that eight states, including California, provide both State and federal Lifeline subsidies. California offers the most generous subsidy at $19.00 per month, along with an activation/connection fee of $39.00.[20] Oregon offers the second-highest subsidy at $10.00 per month, followed by Kentucky at $6.00

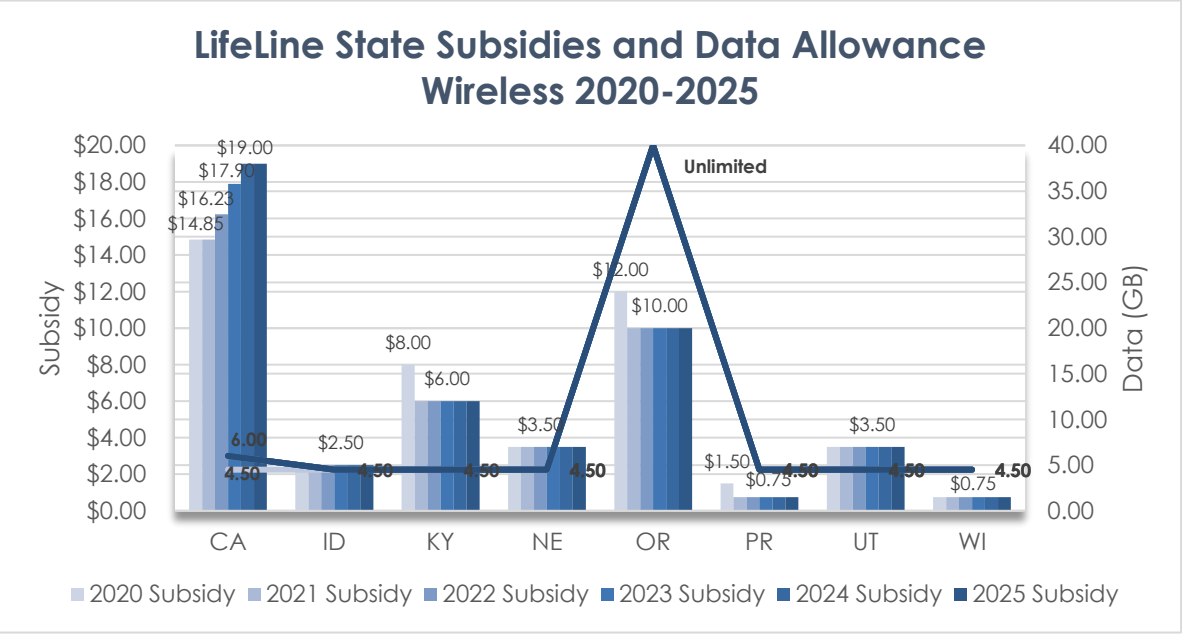
[20] D.17-01-032

per month. In the remaining states, state subsidies range from $0.75 to $3.50 per month, with a median of $2.50 per month.

Additionally, staff observed that California's Wireless Basic Plan subsidy, at $12.85, exceeds the offerings from other states. The data also indicates that the average data allowance across the states meets the FCC MSS at 4.5 GB, while California provides 6 GB and Oregon offers unlimited data[21].

Excluding California, the data shows that the other seven states where California Lifeline service providers operate did not increase their subsidies over the six years of data collected. In fact, Kentucky, Oregon, and Puerto Rico decreased their state subsidies in 2021. On the other hand, California increased its subsidy by 9.29 percent in 2022, 10.29 percent in 2023, and 6.15 percent in 2024, using the COLR methodology.

Figure 1. CA LifeLine and Other State Subsidies of Wireless 2020-2025



Affordability Ratio Metric

Staff seek to quantify the affordability of wireless service plans copayments that align with the Commission's D.20-07-032 that assesses the affordability of essential utility services.[22] The Commission defines affordability as the degree to which a representative household can pay for an essential utility service[23], given its socioeconomic status. This assessment helps determine the relative affordability of utility services. One of the metrics the Commission adopted, and staff is using, is the Affordability Ratio (AR) metric.

[21] Oregon granted a waiver to its only prepaid wireless ETC carrier to meet the unlimited data requirement, allowing the offer of free cellular service with 5 GB of data. UM 1631 PM Order (CA18)_encrypted_.pdf

[22] D. 20-07-032

[23] D.20-07-032 page 2

The AR metric quantifies the percentage of a representative household's income required to pay for an essential utility service after non-discretionary costs such as housing and other essential utility services are removed from the household's income.[24] The higher the AR, the less affordable the utility service. The AR may be calculated for any income level in a given area. The AR may also be calculated for a single essential utility service, a combination of services, or all the essential utility services simultaneously. Income and housing costs are assigned at the scale of the Public Use Microdata Area (PUMA) produced by the U.S. Census Bureau. PUMAs are non-overlapping, statistical geographic areas that partition each state or equivalent entity into geographic areas containing no fewer than 100,000 people each[25] and there are currently 281 PUMAs in California.

Commission staff developed the Affordability Ratio Calculator (ARC)[26] as a tool to allow users to calculate Affordability Ratios at the 20th (AR20) and 50th (AR50) percentiles and for electricity, gas, water, and communications, both separately and as combined services.[27] The ARC allows users to override the inputs to the ARC for more tailored calculations. By adjusting the communications service input to the copayments of $5, $10, $15, and $25, we analyzed its impact on low-income households' ability to afford copayment rates for their communications expenses in each PUMA. The 2021 and 2022 Annual Affordability Refresh report found that if an AR20 value is greater than the 15 percent demarcation, then that census tract is designated as an area of affordability concern (AAC).[28]

Table 6 assesses how the different copayment rates impact low-income households at the 20th percentile income level. In the three Los Angeles County, South Central/Watts, Central/Westwood & West Los Angeles, and Central/Univ. of Southern California & Exposition Park would allocate 100 percent of their non-discretionary income to communication services. This indicates that even with a $5 copayment, a communications plan is unaffordable, highlighting the need for a $0 copayment option for these households. Furthermore, the non-discretionary household expenses do not include food, health care, taxes, transportation, and childcare, which further suggests the ratio underestimates the affordability of the copayment rates, as shown in Table 6 below.

Table 6. PUMAs with Affordability Concerns by Copay Rates.

PUMA	County/City	Weighted Average Communications AR20			
		$5 Copay	$10 Copay	$15 Copay	$25 Copay
03751	Los Angeles County (South Central) -- LA City (South Central/Watts)	100.00%	100.00%	100.00%	100.00%
03776	Los Angeles County (West Central) -- LA City (Central/Westwood & West Los Angeles)	100.00%	100.00%	100.00%	100.00%

[24] D.20-07-032 page 16
[25] Public Use Microdata Areas (PUMAs)
[26] D.22-08-023, page 18
[27] 2021-and-2022-annual-affordability-report.pdf, page 11
[28] 2021-and-2022-annual-affordability-report.pdf, page 34

PUMA	County/City	Weighted Average Communications AR20			
		$5 Copay	$10 Copay	$15 Copay	$25 Copay
03746	Los Angeles County-LA City (Central/Univ. of Southern California & Exposition Park)	100.00%	100.00%	100.00%	100.00%
03744	Los Angeles County (Central)--LA City (East Central/Central City & Boyle Heights)	18.01%	35.89%	53.77%	71.66%
03733	Los Angeles County (Central)--LA City (Central/Koreatown)	14.60%	29.21%	43.81%	73.02%
03745	Los Angeles County (Central)--LA City (Southeast/East Vernon)	3.77%	7.54%	11.32%	18.86%

Customers who subscribe to approved Lifeline plans with data allowances exceeding the MSS of 6 GB, ranging from 9 GB to unlimited data, are currently paying copayments that vary from $0.83 to $31.00. These copayment amounts can differ significantly among various service providers offering similar services. Below is a table displaying a sample of the currently approved plans offered by different service providers with their respective copayment charges. As of March 31, 2025, 32,368 participants enrolled in these copayment plans.

Table 7. Number of Participants enrolled in Approved CA LifeLine Wireless Copayment Plans.

Voice and Text	Data Consumption Cap (GB)	Hotspot (GB)	Approved LifeLine Copayment Plans	Enrolled Participants as of March 31, 2025
Unlimited	9	Included in Data	$0.83	-
Unlimited	10	-	$0.00	70
Unlimited	15	-	$1.00	31,741
Unlimited	15	-	$10.00	-
Unlimited	20	-	$1.00	-
Unlimited	40	-	$30.00	-
Unlimited	40	10	$11.63	57
Unlimited	Unlimited	30	$22.73	203
Unlimited	Unlimited	-	$25.00	297
Unlimited	Unlimited	20	$31.00	-

As Table 6 demonstrates, copayment amounts are inconsistent across service providers for comparable plans, with customers sometimes paying more for less data and less for more. To make sense of the data,

staff grouped comparable approved LifeLine tier plans, averaged their base rates, and deducted government subsidies to find the resulting average copayment.

There is a significant lack of standardization in copayment amounts across participating CA LifeLine wireless service providers for similar service packages. Decision 21-09-023 requires staff to conduct an affordability review for all wireless plans. Given the inconsistent copayments, an immediate affordability review is required. To address these issues, staff conducted an affordability review, and the findings are detailed in Table 7.

Proposal for Updating the MSS and SSA Methodology for CA LifeLine

Staff propose adopting an MSS paired with the SSA methodology for CA LifeLine to ensure CA LifeLine participants' communications needs are met and to ensure the prudent use of CA LifeLine funds. The proposed Set Price SSA would replace the COLR methodology as described below.

The Set Price SSA differs from the COLR methodology by eliminating the requirement for annual SSA adjustments tied to the highest basic residential rate of a COLR. Staff established a fixed price for the SSA using data from the wireless retail market and Lifeline offerings in other states.[29] Additionally, the minimum data allowance of 15 GB for Standard and Family Plans was determined using the Marketplace Report. This data provides the CPUC with a comprehensive overview of the current communications marketplace and allows the CPUC to offer competitive wireless services and remain informed about market trends.

In reviewing data from California LifeLine service providers regarding their offerings in other states, staff found that over several years, the SSA in these different states remained fixed and, in some cases, even decreased without negatively impacting the MSS available to customers (see Figure 1).

Oregon is the only state offering an MSS of unlimited data with a subsidy of $10, less than California's $19 for a 6 GB data allowance. Most states do not provide additional state subsidies to the federal Lifeline, and service providers typically offer customers 4.5 GB service plans. This amount is below and, in some cases, significantly lower than—the $12.85 provided by California's LifeLine Basic Plan.

Moreover, the FCC has employed a fixed subsidy approach with the federal Lifeline program for many years, only making updates recently through formal decisions. Within California, it's important to note that most COLRs did not experience consistent annual rate hikes like those of AT&T (refer to Table 1). Nevertheless, the California LifeLine SSA has increased annually in line with this single wireline service provider. Staff believe it is reasonable and poses no harm to participants to adjust the California LifeLine SSA to a fixed amount based on an MSS that meets users' needs.

Compared to the COLR methodology, the Set Price SSA reduces administrative work and provides predictable funding. The Set Price SSA eliminates the need for annual SSA updates required with the

[29] Wireless Retail Market - Table 4. Advertised Data Plans and Lifeline offerings in other states – Figure 1.

COLR methodology, which include SSA adjustments via administrative letter, Third Party Administrator (TPA) adjustments, and new advice letters. The Set Price SSA is intended to be fixed for multiple years, so service providers have stable, predictable SSAs. This can reduce the need to modify their service plan offerings through advice letters. This stability also allows service providers and those marketing the program to set reliable budgets for marketing and reduce costs for revising marketing materials.

Under the Set Price SSA, staff will conduct an annual market analysis to assess affordability and market changes, ensuring that the SSA and MSS are adjusted as needed. Additionally, staff recommend directing wireline carriers to comply with Public Utilities Code Section 874, which prohibits carriers from charging LifeLine customers more than 50 percent of their basic residential rate. The annual price cap figure will continue to be reported and posted on the Commission website.

For eligible CA LifeLine reimbursements, the program currently deducts federal subsidies first before calculating reimbursements. If federal subsidies increase, California LifeLine will not increase the total subsidy available for each tier and the CA portion of the reimbursement will be lower. If the federal subsidies are reduced, an adjustment to the CA SSA may be determined through a decision.

Proposed Update Wireless MSS and Set Price SSA for CA LifeLine

Staff propose adjusting the CA LifeLine program to align the MSS and a Set Price SSA. Staff propose setting the MSS tiers for CA LifeLine to conveniently meet participants' various communications needs, offering higher data options, for users who need them, while concurrently protecting the CA LifeLine fund.

These proposed service plan tiers will provide more choices for the current 1.7[30] million subscribers' access to at least three $0 copayment plans while ensuring those who need higher data plans can access them at an affordable copayment rate.

Staff established tiered service levels based on the data usage, incorporating existing approved LifeLine plans and those available on the retail market. The data shows that all approved LifeLine tiered plans were part of the analysis, as discussed in Table 6.

It also shows that those who use more data can get more value by choosing higher-tier plans. It encourages users to opt for plans with higher data allowances as the cost per gigabyte (GB) decreases. This can be beneficial for users who need more data for streaming, video calls, or other data-intensive activities. Consumers may perceive the lower per-GB costs in higher-tier plans as a better deal if they don't necessarily need that much data.

Staff developed adjustments to the data allowances offered in various plans and the different tiered plans, including options with and without copayment as shown in Table 8.

Table 8. Proposed Wireless Service Plan Tiers.

[30] Active subscribers count as of February 2025

Tier	Data Usage GB	Hotspot	SSA	Maximum Copayment	Total	Additional Per GB
1 (Basic)	6	N/A	$13.00	$0.00	$13.00	$3.19
2 (Standard)	15	N/A	$19.00	$0.00	$19.00	$2.77
3 (Family (Line 1))	15	N/A	$19.00	$0.00	$19.00	$2.77
4	25	10	$20.00	$5.00	$25.00	$1.50
5	40	20	$20.00	$10.00	$30.00	$0.56

$0 Copayment Plans

The Basic Plan (Tier 1) is set at 6 GB with a fixed SSA of up to $13.00. This plan increases the data allowance from the previous 4.5 GB to 6 GB. The benefit of the Basic Plan is that participants will have access to a no-cost service plan in locations where providers are unable to offer more than 6 GB of mobile data.

The Standard (Tier 2) and Family (Tier 3) Plans aim to enhance access for participants by increasing the data usage allowance from 6 GB to 15 GB, with a fixed SSA of up to $19.00. In 2023, the average monthly data consumption for smartphone users reached 15.5 GB.[31] The Standard and Family Plans are specifically tailored for participants who cannot afford a copayment for a low-cost plan that provides more data. It's important to note that additional lines on the Family Plan do not receive a subsidy from California LifeLine.

Copayment Plans

To address affordability, staff propose copayment service plan Tiers 4 and 5, as shown in Table 8. These service plan tiers offered with a copayment enhance data allowances and provide participants with additional value. The MSS for copayment plans must include unlimited voice, text messages, hotspot data, and data speeds of 3G (or more).

A key advantage of these copayment plans is that they allow eligible participants to enroll in improved data plans that suit their needs, all at an affordable copayment rate. These copayment plans are eligible to receive a subsidy of up to $20.00 and copayment price up to $5 for Tier 4 and up to $10 for Tier 5 that meets the stated MSS requirements.

Staff recommend implementing a cap on per-GB charges for each plan, allowing customers to purchase additional data as needed while helping to avoid unexpectedly high costs. Additionally, service providers are required to provide marketing materials that clearly explain their California LifeLine plan offerings to participants. Regardless of the names used for the plans, wireless service providers must ensure that all

[31] FCC 2024 Communications Marketplace Report: Pg-55, Data usage: "monthly data usage per smartphone subscriber rose to an average of 15.5 GB per subscriber per month in 2023, an increase of approximately 11% from year-end 2022 to year-end 2023."

wireless California LifeLine participants understand that they are eligible for data with the plans in Tiers 1, 2, and 3 at no cost.

Non-Usage Rule

The California LifeLine program's non-usage rule mirrors the federal Lifeline non-usage rules.[32] CA LifeLine participants are subject to de-enrollment if they do not activate or use the service for a 30-day period.[33] If a Subscriber has not used a service for which a monthly fee is not assessed for a 30-day period, the LifeLine Service Provider must provide the Subscriber with a notice in clear, easily understood language, that the Subscriber's failure to use the service within 15 days of the notice will result in de-enrollment for non-usage of the service. If the Subscriber fails to use the service within 15 days of the notice, the Subscriber shall be removed from the LifeLine program.[34]

Staff propose strengthening the non-usage rules to ensure that subsidies are directed at active subscribers. The non-usage rules will apply to all subscribers, regardless of whether they pay a monthly fee for a 30-day period. Beyond the FCC's non-usage rules, federal law also allows states to implement further rules to impose additional standards on carriers operating in their states to ensure compliance with the state Lifeline programs if needed, and the Commission establishes new additional non-usage rules.[35]

By expanding the rules of non-usage to include copayment plans beyond the federal rules, the state can identify subscribers who are no longer benefiting from the program and prevent wasteful spending of ratepayer funds. Based on the current data, 14 out of 16 wireless service providers are reporting their monthly non-usage data. Seven of those 14 service providers reported over 80 percent of their customer removals were due to non-usage. All wireless service providers are required to submit monthly non-usage data reports to the CPUC to continue receiving the California subsidy. [36]

Proposed Update Activation and Connection Charge

The Commission adopted D.17-01-032, which provides a subsidy of up to $39.00 to participating wireless service providers.[37] This subsidy aims to help reduce connection charges for participants during the following situations: when initiating service for the first time and transferring between service providers. California LifeLine wireless participants can receive reimbursement for no more than two discounts per year.

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[32] § 54.407(c)(2)
[33] GO 153, Section 5.7.1
[34] GO 153, Section 5.7.2
[35] 47 U.S.C, § 254(f); 47 C.F.R. § 54.416(c)
[36] CPUC may withhold reimbursements if providers fail to submit non-usage data reports along with their monthly claims.
[37] The wireline service activation and connection charges will remain unchanged and will continue to comply with GO 153 Section 8.1.1.

In 2024, the Commission reimbursed wireless service providers with approximately $67 million for around 1.9 million new activations and 2.1 million transfers, a churn[38] rate of 155 percent.[39] In comparison, about $59,000 was reimbursed for wireline services, covering approximately 8,000 new activations and 4,000 transfers, a churn rate of just 3 percent.[40] Whereas, the churn rates for the top three wireless carriers are significantly lower than those of the California LifeLine program. From the first quarter of 2021 to the fourth quarter of 2023, AT&T and T-Mobile maintained churn rates between 2.5 percent and 3 percent, while Verizon's churn rate fluctuated between 3.7 percent and 4.9 percent.[41]

To attract new customers, many service providers in the retail market waive activation fees during promotional periods. T-Mobile has a $25.00 activation fee, Verizon does not charge any activation fee, and AT&T charges $15.00 but will waive this fee if you sign up for a prepaid plan. Data from YouGov indicates that consumers primarily switch wireless carriers due to cost and network quality.[42] Table 10 shows the activation fees charged by three providers in the prepaid retail market.

Staff propose limiting California LifeLine wireless participants to receive reimbursement for one discount per year per provider at $15.00 for an activation or connection charge starting from the initial start date of service per year. This measure is intended to ensure that ratepayer funds are used wisely and maintained in a fiscally responsible manner.

Table 10. Retail Wireless Prepaid Service Activation Fee.

Wireless Provider	**Activation Fee**
T-Mobile	$25.00
Verizon	$0.00
AT&T	$15.00
Average Activation Fee	**$13.33**

Access 05/05/2025: Compare Our Best Prepaid Phone Plans | T-Mobile Prepaid , Verizon Prepaid Plans: Your Top Questions Answered, Prepaid Phone Plans & Devices: No Contract, Pay As You Go | AT&T

Proposed Update Wireline MSS and Set Price SSA for CA LifeLine

The proposed CA LifeLine wireline MSS tiers are set to allow participants to meet their various communications needs, whether voice or bundled voice and broadband, in Table 9. Moreover, the tier updates closely resemble the previous SSA methodology yet provide more transparency by aligning the SSA with each wireline service provider. These wireline updates to the program are set to maximize participant

[38] Churn measures the percentage of connections that are disconnected from mobile wireless service during a given time period.
[39] In 2024, an average of 1.4 million wireless subscribers enrolled in the CA LifeLine program.
[40] In 2024, an average of 117 thousand wireline subscribers enrolled in the CA LifeLine program.
[41] FCC-24-136A, Pg. 53.
[42] YouGov

benefits, maintain consumer bill protections, and leverage the CA LifeLine Fund effectively. The treatment of California-only participants will remain unchanged, thereby receiving benefits comparable to California LifeLine participants who receive federal Lifeline subsidies.

Tier A

The proposed Tier A Voice plan resembles the previous SSA methodology[43] while providing more transparency of the SSA that each wireline service provider is eligible for based on their individual basic residential rates (rate). The proposed Tier A has an MSS with voice. The Tier A SSA is 55 percent of a wireline service provider's combined rate and end user common line charge (EUCL) or the SSA cap of $19.00 for Tier A, whichever is lower.[44]

Service providers who want to update their annual rates must file for an annual rate review to staff by January 1 through a tier 2 advice letter. This review will determine the service provider's SSA and LifeLine rates, which will take effect on April 1 of the following calendar year. If a wireline service provider does not file an advice letter regarding updates to their rates, staff will use the previous year's rates.

To illustrate the two methods for calculating the SSA, staff used the 2024 basic flat service rates from the COLRs, as shown in Table 11 below. With this update, participant bills will remain affordable. Service providers will receive 55 percent of their rate and EUCL costs. Additionally, under P. U. Code Section 874, wireline service providers cannot charge participants over 50 percent of their basic residential rate. Current participants' bill costs range from $5 - $19, which may remain the same under this proposal.

Table 11. Comparison of COLR Method and Set Price SSA.

COLR (Wireline)	2024 COLR Basic Flat Service Rates	EUCL	COLR Method SSA	Set Price Method SSA
AT&T	$37.50	$6.21	Up to $19.00	$19.00
Consolidated	$32.44	$6.50		$19.00
Frontier	$25.00	$6.50		$17.33
Frontier-CA	$24.50	$6.50		$17.05

Over time, as federal subsidies change and wireline service providers adjust their rates, the Commission may consider updates to MSS/SSA to ensure that wireline service is adequately subsidized. However, based on the historic service provider rate increases and federal subsidies, staff do not anticipate this will happen for many years. With current rates, all service providers will currently receive 55 percent of their rates. Eventually, service providers will have their reimbursement subject to the SSA cap while charging participants no more than 50 percent of their rates.

[43] While the COLR methodology sets the SSA at the highest COLR basic residential rate, it does not reimburse wireline service providers (after applying federal subsidies) for more than the service provider's basic residential rate, which are filed through an advice letter.

[44] If federal subsidies increase, the total subsidy will remain the same with a subsequent reduction in funding from California LifeLine.

Tier B

Wireline service providers offering broadband plans to eligible participants will be eligible for additional compensation from the CA LifeLine Fund. Service Providers will be able to file claims process indicating that customers are receiving minimum broadband levels.

The proposed Tier B bundled plan has an MSS which includes voice and broadband based on the ACP pilot MSS[45] with a fixed SSA of $21.00.

The ACP provided Californians with the broadband service of their choice. Staff proposes Tier B to ensure that CA LifeLine broadband offerings are accessible to California only participants and to provide meaningful broadband plans for California LifeLine participants.

Table 12. Proposed Wireline Service Tiers.

Plan	California LifeLine SSA	Fixed Broadband Speed (Mbps)	Fixed Broadband Allowance
Tier A Proposed Voice	$19.00	N/A	N/A
Tier B Proposed Bundled	$21.00	100/20	FCC MSS

Proposed Update Reporting Claims

Wireline service providers will be reimbursed at the Tier A rate for their participants with their existing reporting procedures.

For wireline service providers offering Tier B plans, will be required to supply additional information annually regarding broadband speed availability, including broadband maps in a participants' territory. If the wireline service providers modified their broadband map more recently than the annual cycle, they can file that updated map for use with Tier B. This report is subject to auditing. If a participant changes wireline service providers in the middle of the month, the service provider will be eligible for reimbursement based on the tier in which the participant is enrolled. This could mean that one service provider is prorated at Tier A and another at Tier B.

If a participant switches between wireless and wireline service during the month, service providers are eligible for reimbursement based on the tier the participant is enrolled in, calculated on a prorated basis.

Wireless service providers offering plans that require a copayment should design these plans as an additional layer over the Standard Plan. This means that if a participant does not make the copayment, they will remain on the underlying Standard Plan. Moreover, wireless providers may not charge customers a conversion fee or seeking reimbursement from the fund for customers who transition between different service plan tiers. Wireless service providers will be required to supply non-usage reports with their

[45] Broadband speeds of 100/20 Mbps and minimum data allowance of 1280 GB.

monthly claims. Additionally, wireless service providers will be required to submit quarterly data usage reports to staff to ensure ongoing compliance with the minimum service standards requirements.
All participant data collected will require handling for participant confidentiality. Staff may choose to make data available in aggregate to share findings.

Conclusion

Staff propose a comprehensive update to the California LifeLine SSA methodology and MSS to better meet the changing communication needs of low-income Californians. This updated methodology will directly link subsidy levels to the proposed enhancements in MSS, ensuring that funding effectively supports the delivery of improved services to participants.

Additionally, staff propose a framework for affordable wireless service plans, where the Commission will set copayments for participants to access enhanced service tiers. Updates to the program's non-usage rules, as well as adjustments to activation and connection charges, are also recommended to ensure the California LifeLine Fund is used efficiently. These changes aim to support active participants while maintaining program integrity and preventing waste.

GENERAL ORDER 153

Public Utilities Commission of the State of California
PROCEDURES FOR ADMINISTRATION OF THE MOORE UNIVERSAL TELEPHONE SERVICE ACT (CALIFORNIA LIFELINE PROGRAM) GENERAL ORDER

1. GENERAL

1.1 Intent – The purpose of this General Order is to implement the Moore Universal Telephone Service Act [AB 1348, Ch. 1143, Stats. 1983, California Public Utilities Code §871 et seq.]. The Act is intended to provide low-income Households with access to affordable Basic Residential Telephone Service.

1.2 Applicability – This General Order is applicable to all California LifeLine Service Providers operating in California and to residential Customers eligible for California LifeLine furnished pursuant to the Moore Universal Telephone Service Act.

1.3 Participation in California LifeLine by Non-Traditional Providers (wireless, VoIP, Internet Service Providers, etc.) is optional. However, any Non-Traditional Provider that offers LifeLine (either California LifeLine or federal-only Lifeline) in California must comply with the rules established in this General Order.

1.4 The California LifeLine Program provides support to participating California LifeLine Service Providers through a Specific Support Amount ("SSA") prescribed by the Commission that reduces the rate for eligible services purchased by LifeLine Subscribers. Where Subscribers also qualify for support through the federal Lifeline program, Subscribers may be eligible for further reduced rates based on both federal and state support, subject to certain limitations set forth in this General Order. Where Subscribers are not eligible for federal Lifeline support, Subscribers may continue to receive California LifeLine support, provided that they qualify for support under this General Order.

1.5 This General Order includes Appendices, identified as A-1, A-2, B, C and D, respectively. The Appendices have the same weight as the text of the General Order.

2. DEFINITIONS

2.1 "Anniversary Date" –The Anniversary Date falls on the one-year anniversary of the LifeLine Subscriber's Application Date and annually thereafter.

2.2 "Annual LifeLine Notice" – The written notice that each California LifeLine Service Provider annually sends to all of its residential Customers regarding the availability, terms, and conditions of California LifeLine.

2.3 "Applicant" – A new or existing voice service Customer who has requested California LifeLine Service and is undergoing the Application Process.

2.4 "Application Date" – The date a new or existing Customer calls his/her California LifeLine Service Provider and requests LifeLine Service. The "Application Date" serves as the starting

point for LifeLine discount back-credits once the California LifeLine Administrator determines eligibility and notifies the applicant's California LifeLine Service Provider.

2.5 "Application Form" – The document sent by the California LifeLine Administrator to Applicants that they must fill out (either on paper or online) and return to the California LifeLine Administrator to be considered for California LifeLine eligibility.

2.6 "Application Process" – A process that an Applicant must undergo when applying to enroll in California LifeLine.

2.7 "Basic Residential Telephone Service," "Basic Service" – A class of local telephone service, whose use is for domestic rather than business purposes, furnished to a Customer at the Customer's residence. "Basic service" is defined in D.12-12-038, Appendix A.

2.8 "Business Day" – Official business day of the State of California.

2.9 "California High Cost Fund B (CHCF-B)" – A fund established by the Commission in D. 96-10-066 for the purpose of subsidizing residential telephone service provided by Carriers of Last Resort (COLRs) in designated high-cost areas of the State.

2.10 "California LifeLine Administrator" – A third-party administrator designated by the Commission to qualify Applicants and verify the continued eligibility of Subscribers.

2.11 "California LifeLine Program" – A California public purpose program, which is sometimes referred to as "California LifeLine" or "LifeLine." California LifeLine is a class of local discounted voice service, or discounted voice and broadband services, designed to meet the minimum communication needs of low-income residential customers; California LifeLine includes the service elements set forth in Appendices A and B of this General Order. California LifeLine is funded by the Surcharge such that discounted LifeLine Service can be made available to eligible Customers and California LifeLine Service Providers that participate in the program receive support to enable LifeLine Service, as set forth in this General Order.

2.12 "California LifeLine Service" or "LifeLine Service" - A class of service designed to meet the minimum communication needs of low-income residential Customers, as set forth in Appendices A and B of this General Order.

2.13 "California LifeLine Service Provider" or "LifeLine Service Provider" – A telecommunications carrier (Carrier or a Non-Traditional Provider that offers California LifeLine Service as defined by this General Order.

2.14 "Carrier" – Any provider of end-user intrastate telecommunications services such as local exchange carriers, competitive local carriers, interexchange carriers, commercial mobile radio service carriers, and paging companies.

2.15 "Carrier of Last Resort (COLR)" – A Carrier, designated by the Commission as a COLR, that is required to fulfill all reasonable requests for Basic Service, within its service territory.

2.16 "Commission" – The California Public Utilities Commission.

2.17 "Communications Division (CD)" – A division within the Commission that is responsible for carrying out those duties and responsibilities related to California LifeLine that is set forth in this

General Order.

2.18 "Customer" – An individual that is responsible for ordering, paying for, and making decisions regarding services purchased from a Carrier or other service provider in California.

2.19 "Deadline Date" – The date printed on the Customer's Application or Renewal Form, by which the form and any supporting information must be received by the California LifeLine Administrator to avoid having the form rejected.

2.20 "Deaf and Disabled Telecommunications Program (DDTP)" – A public purpose program established pursuant to California Public Utilities Code §2881 et seq., to provide persons who are deaf, hard of hearing, or disabled with free telecommunications equipment and services for the purpose of enabling such Customers to communicate over the public telephone network.

2.21 "Denial Date" – During the Application and Renewal Processes, the date upon which the California LifeLine Administrator determines Applicants or Subscribers to be ineligible.

2.22 "Deposit" – Money charged to a Customer as security to the serving Carrier in order to establish or re-establish service as required by the Carrier's applicable terms of service.

2.23 "Disabled Person" – A person who is qualified to obtain free telecommunications equipment and services through the DDTP pursuant to California Public Utilities Code §2881 et seq.

2.24 "Eligible Telecommunications Carrier (ETC)" – A common Carrier designated by a state commission pursuant to Subpart C of Title 47 of the Code of Federal Regulation (47 C.F.R.) §54.201. An ETC is required to provide to qualified low-income customers, the services described in Subpart E of 47 C.F.R. §54.401, and to comply with additional conditions imposed by the Commission as part of the ETC approval process. The ETC is eligible to receive the federal financial support for the provision of such services.

2.25 "End-User Common Line (EUCL) Charge" – The Federal Communications Commission (FCC) mandated monthly charge assessed directly on end-users of telecommunications services to recover portion of a Carrier's interstate-allocated cost of the access line, as defined by the FCC, between the Carrier's central office and the end-user's premises. Also known as the Subscriber Line Charge (SLC).

2.26 "Extended Area Service (EAS)" – An exchange service available to Customers in a particular exchange or district area for communication throughout that exchange and other designated areas in accordance with the provisions of a Carrier's exchange tariffs.

2.27 "Flat Rate Service" – Local telephone service satisfying the requirements of Basic Residential Telephone Service for unlimited local calls without additional charges at a fixed monthly rate.

2.28 "Gross Revenues" – All revenues billed by a telecommunications Carrier to end users for the provision of Intrastate Telecommunications Services, excluding all federal, state, and local taxes and all accounts that have been found to be worthless and written off for income tax purposes or, if the telecommunications Carrier is not required to file income tax returns, written off in accordance with generally accepted accounting principles.

2.29 "Household" – Any individual or group of individuals who live together at the same address and share income and expenses.

2.30 "Income-Based Criterion" – A means of determining eligibility based on the number of members in the Applicant's Household and corresponding income limits approved by the Commission.

2.31 "Incremental Costs" – Incremental Costs are defined as those costs that (i) are directly attributable to the California LifeLine Program, (ii) would not be incurred in the absence of the California LifeLine program, and (iii) are not recovered elsewhere by the California LifeLine Service Provider.

2.32 "Incumbent Local Exchange Carrier (ILEC)" – The definition of ILEC is set forth in Section 251(h) of the Telecommunications Act of 1996. ILECs are each required to serve as a COLR, pursuant to D. 96-10-066, Appendix B, Rule 6.D.1.

2.33 "Intrastate Telecommunication Service" – Any telecommunications service that originates and terminates within the boundaries of the State of California.

2.34 "LifeLine Line" – A single LifeLine Service connection provided by a California LifeLine Service Provider under the California LifeLine Program to a qualifying Household.

2.35 "Measured Rate Service" – Local telephone service satisfying the requirements of Basic Residential Telephone Service for which there is a usage-based charge for some or all local calls.

2.36 "Medical Certificate" – A certificate signed by a medical professional which states that a designated telephone Customer has a disability that qualifies the customer for specialized telecommunications equipment from the DDTP. Medical certificates must comply with California Public Utilities Code §2881 et seq.

2.37 "Non-Traditional Providers" – California LifeLine Service Providers which are wireless Carriers ("Wireless LifeLine Provider") or fixed-Voice over Internet Protocol Service Providers that do not hold a Certificate of Public Convenience and Necessity ("Fixed VoIP LifeLine Provider") that voluntarily elect to offer California LifeLine as set forth in this General Order.

2.38 "Pre-Qualification" – The process by which California LifeLine Applicants apply for California LifeLine, but do not receive the California LifeLine discount until their applications have been received and approved by the California LifeLine Administrator.

2.39 "Program-Based Criterion" – A means of determining eligibility based on participation in various qualifying assistance programs approved by the Commission.

2.40 "Public Advisor" – An organizational unit within the Commission that is responsible for carrying out those duties and responsibilities related to California LifeLine as set forth in this General Order.

2.41 "Regular Rates" – A Carrier's or Non-Traditional Provider's undiscounted rates and charges for voice services that are applicable to non-California LifeLine customers.

2.42 "Renewal Form" – A form sent by the California LifeLine Administrator to existing LifeLine Subscribers as part of the Renewal Process to be completed (either in writing or online) and returned to the California Lifeline Administrator to continue receiving their California LifeLine discounts.

2.43 "Renewal Process" – A process that Subscribers must undergo annually before their Anniversary Date to continue their enrollment in California LifeLine.

2.44 "Residence" – That portion of an individual house, building, flat, or apartment (a dwelling unit) occupied entirely by a single Household as that term is defined by these rules. A room or portion of a dwelling unit occupied exclusively by a Household not sharing equally as a member of the

domestic establishment may be considered a separate residence for the application of California LifeLine.

2.45 "Service Connection/Activation Charge" – A non-recurring charge, for the installation or activation of service, which is paid by the Customer applying for such service.

2.46 "Service Conversion Charge" – A non-recurring charge, that may be applicable when a customer changes the class, type, or grade of service.

2.47 "Service Start Date" – The date a new Customer begins receiving phone service, and is billed for such service. Once the California LifeLine Administrator approves the Application Form, the subscriber receives California LifeLine discounts back to the Application Date.

2.48 "Specific Support Amount (SSA)"– A maximum support amount reimbursed to California LifeLine Service Providers for the monthly recurring charge of California LifeLine Service to Subscribers. The SSA may be adjusted annually by the Commission.

2.49 "Subscriber" – A person who is qualified for and receiving California LifeLine Service, set forth in this General Order.

2.50 "Surcharge" – The percentage increment, as determined by the Commission, which is applied to the end-user's Intrastate Telecommunications Services and/or revenues from interconnected Voice over Internet Protocol service as required pursuant to California Public Utilities Code Section 285(c)(3).

2.51 "Text-Telephone Device" – A device used by Disabled Persons to send and receive information over a telephone line in text and graphic forms. A text-telephone device is commonly referred to as a "TTY."

2.52 "Three-Month Commercial Paper Rate" – The Three-Month Commercial Paper Rate published in the Federal Reserve Statistical Release, H-15.

2.53 "Toll Blocking" – A service whereby the Subscriber elects to prevent the completion of outgoing toll calls.

2.54 "Toll Control" – A service whereby the Subscriber specifies a certain level of toll usage that may be incurred per month or per billing cycle.

2.55 "Toll Limitation Service" – A service that includes, but is not limited to, Toll Blocking or Toll Control.

2.56 "Total Household Income" – Gross income, from all members of a household, from whatever source derived, as defined in the Internal Revenue Code at 26 U.S.C. Section 61.

2.57 "Universal LifeLine Telephone Service (ULTS) Trust Administrative Committee (ULTS-AC)" – An advisory board that advises the Commission on the development, implementation, and administration of California LifeLine to ensure it is available to the people of the state, as provided by this General Order and the Moore Universal Telephone Service Act.

2.58 "Universal LifeLine Telephone Service (ULTS) Trust Administrative Committee Fund (LifeLine Fund)" – A repository of California LifeLine Surcharge monies used to reimburse California LifeLine Service Providers and others as directed by the Commission for the costs associated with the provision and administration of the California LifeLine Program.

3. TARIFF FILINGS

3.1 Carriers that are required to file tariffs with the Commission shall include in their tariffs the requirement to collect the California LifeLine Surcharge from their Customers.

3.2 Carriers that are required to file tariffs for Basic Residential Telephone Service with the Commission shall include in their tariffs the requirement to offer California LifeLine to the public under terms and conditions that reflect the requirements of California Public Utilities Code §871 et seq., relevant Commission decisions, and this General Order. Such Carriers shall file a Tier 2 advice letter (a) prior to offering LifeLine Service; (b) to revise any previously approved LifeLine Service or plans.

3.3 All tariff filings pertaining to any aspect of California LifeLine and/or the California LifeLine Surcharge shall be filed in accordance with California Public Utilities Code §489 and General Order 96-B. No tariff or schedule of rates and charges shall substantially depart from the intent of this General Order.

3.4 Non-Traditional Providers that voluntarily offer LifeLine Service in California shall file with the Commission a schedule of LifeLine rates and charges, updated annually, that reflect the requirements set forth in this General Order.

3.4.1. Wireless LifeLine Providers that are designated as an ETC shall file a Tier 2 advice letter (a) prior to offering LifeLine Service; (b) to revise any previously approved LifeLine Service or plans; (c) to seek an exemption from the requirement to offer LifeLine subscribers all plans and phones; and (d) 60 days prior to the effective date of a LifeLine broadband service offering that requires a monthly co-payment. Any Tier 2 advice letter submitted pursuant to (c) shall explain the proposed plans and phones that the Wireless LifeLine Provider intends to offer or plans or phones it will not offer to LifeLine Subscribers and the reasons why such plans or phones should not be available to LifeLine Subscribers.

3.4.2 Wireless LifeLine Providers that are not designated as ETCs shall file a Tier 3 advice letter.

3.4.3 Fixed VoIP LifeLine Providers will adhere to the registration and advice letter requirements in Appendix B.

4. NOTICES, ENROLLMENT, AND FORMS

4.1 Initial California LifeLine Notice.

4.1.1 California LifeLine Service Providers shall inform new residential Customers calling to establish Basic Service or non-regulated voice service, as applicable, about the availability of California LifeLine, a discount program for Customers with a Household member currently enrolled in certain public assistance programs or Customers with qualifying Household income. If Customers indicate that they are interested in applying for California LifeLine, California LifeLine Service Providers shall contact the California LifeLine Administrator to begin the California LifeLine Application Process for the Customer in accordance with Section 4.2 of this General Order and the Timeline for Processing California LifeLine Qualifications (found at https://www.californialifeline.com).

4.1.2 California LifeLine Service Providers shall not link the availability of discounted voice service under California LifeLine with the sale of non-California LifeLine services.

4.1.3 In accordance with the Timeline for Processing California LifeLine Qualifications (found at https://www.californialifeline.com /), California LifeLine Service Providers shall send a confirmation notice to all California LifeLine Applicants informing them of the arrival of Application Forms from the California LifeLine Administrator and the requirement to return the completed Application Forms with all required documentation. The notice shall also inform California LifeLine Applicants that failure to return the Application Forms and eligibility documentation by the Deadline Date will result in the denial of the application for discounted California LifeLine telephone service.

4.2 Enrollment

4.2.1 California LifeLine Service Providers shall ask the Customer whether he/she is currently or within the last 30 days has been enrolled in California LifeLine by another California LifeLine Service Provider.

4.2.1.1 If yes, the California LifeLine Service Provider shall then contact the California LifeLine Administrator to validate the customer's approved status. The California LifeLine Service Provider shall inform the Customer that the California LifeLine Administrator will notify the Customer and the Customer's current California LifeLine Service Provider once it determines whether or not the Customer is currently or within the last 30 days has been enrolled in California LifeLine. If the California LifeLine Administrator cannot confirm the Customer's continued eligibility, the Customer will be treated as a new California LifeLine Applicant and be subject to the Application Process.

4.2.1.2 If no, ask the Customer if any member of their/his/her Household is enrolled in a public assistance program.

4.2.1.2.1 If yes, read the Program-Based Criterion for qualifying assistance programs listed in Section 5.1.5 of this General Order and ask the customer whether any household member is enrolled in any of these programs. The California LifeLine Administrator may determine if the Customer is enrolled in any of the qualifying assistance programs listed in Section 5.1.5 through access to those qualifying programs' databases and may communicate that eligibility to the California LifeLine Service Provider. California LifeLine Service Providers must use the step-down approach when reading the qualifying assistance programs and stop when the customer confirms that a Household member is enrolled in an approved program.

4.2.1.2.1.1 If the Customer verbally indicates participation in an approved public program, immediately contact the California LifeLine Administrator to begin the Application Process and inform the Customer that: (i) the Customer will receive an Application Form in the mail or online; (ii) the Application Form must be completed and signed by the person whose name appears on the form and returned to the California LifeLine Administrator

before the response date indicated on the form; and (iii) specify any deposits required; (iv) a payment plan is available for nonrecurring charges and deposits relating to Basic Service, and (v) the California LifeLine Administrator will notify the Applicant and the Applicant's California LifeLine Service Provider once it determines whether or not the Applicant is eligible for California LifeLine.

4.2.1.2.2 If no, ask the Customer about their/his/her Household size and read the Income-Based Criterion for corresponding California LifeLine income limit information outlined in Section 5.1.4 of this General Order that the applicant must meet in order to qualify for California LifeLine.

4.2.1.2.2.1 If the Customer verbally indicates that they/ he/ she is eligible under the income guidelines, immediately contact the California LifeLine Administrator to begin the California LifeLine Application Process for the Customer. The California LifeLine Service Provider shall also inform the Customer that they/ he/ she must also provide income document(s) substantiating the household income, and inform the Customer that: (i) the Customer will be receiving an Application Form in the mail or online; (ii) the Application Form must be completed and signed by the person whose name appears on the form, and returned to the California LifeLine Administrator before the response date indicated on the form; (iii) a copy of the supporting income document(s) that reflect Total Household Income must be included with the Application Form; (iv) a payment plan is available for nonrecurring charges and deposits relating to Basic Service; and (v) the California LifeLine Administrator will notify the Applicant and the Applicant's California LifeLine Service Provider once it determines whether or not the Applicant is eligible for California LifeLine.

4.2.2 California LifeLine Service Providers must inform the Applicant that they/ he/ she may opt to receive the instructions for the Application Form in Braille (English Only) or instructions and Application Form in large print.

4.2.3 California LifeLine Service Providers shall also inform the Customer of the availability of two LifeLine Lines if a member of the Household uses a TTY when making a call.

4.2.3.1 If the Customer verbally certifies that they/he/she qualifies for two LifeLine Lines, the California LifeLine Service Provider shall immediately contact the California LifeLine Administrator to begin the California LifeLine Application Process for the second LifeLine Line and remind the Customer that

they/he/she must provide proof for the need of a TTY as outlined in Section 5.1.6 of this General Order.

4.2.4 California LifeLine Service Providers shall inform California LifeLine Applicants that they will incur Regular Rates and charges until approval of their California LifeLine Application Form. California LifeLine Service Providers shall offer California LifeLine Applicants a payment plan for any non-recurring charges and deposits for non-LifeLine service, and shall inform Applicants of the existence of such plans.

4.2.4.1 Notwithstanding Section 4.2.4, Subscribers to pre-paid wireless LifeLine plans are exempt from pre-qualification requirements, and thereby is not required to first establish service and pay the Regular Rates until approval of LifeLine eligibility.

4.2.5 Wireless LifeLine Providers shall inform Subscribers prior to service initiation, verbally and in writing, of two restrictions:

4.2.5.1 The California LifeLine Program will not subsidize Service Connection/Activation Charges more than ~~twice~~ once per California LifeLine Subscriber per year; and

4.2.5.2 The Subscriber or the California LifeLine Wireless Service Provider shall be responsible for paying the Service Connection/Activation Charges beyond the ~~two~~ one for which reimbursement is provided, and if such additional charges are incurred, specifying how much that charge will be.

4.2.6 California LifeLine Service Providers, except when serving pre-paid wireless LifeLine Subscribers, shall inform California LifeLine Applicants that once approved, they will receive a credit on their bill for California LifeLine discounts retroactive to their Application Date. If they have a net credit balance of at least $10.00 on their next bill, they may request a refund check for any such net credit balance from their respective California LifeLine Service Provider.

4.2.7 California LifeLine Service Providers shall inform Customers verbally prior to service initiation, and in writing, of the California LifeLine Program's benefit portability and enrollment request freeze policies.

4.3 Annual LifeLine Notice.

4.3.1 Every California LifeLine Service Provider offering California LifeLine shall annually send to all of its Customers, other than Customers of foreign exchange, or farmer lines, an Annual LifeLine Notice that contains information about the availability, terms, and conditions of California LifeLine.

4.3.1.1 The Annual LifeLine Notice shall include information about the availability, terms, and conditions of two California LifeLine Lines for qualified Disabled Persons.

4.3.1.2 Wireless LifeLine Providers shall also include the information regarding the limited reimbursement of Service Connection/Activation Charges in their Annual LifeLine Notices.

4.3.1.3 Every California LifeLine Service Provider shall submit its Annual LifeLine Notice to the Commission Public Advisor (PA) for the PA's review and

approval. Once approved, a California LifeLine Service Provider does not need to resubmit its Annual LifeLine Notice to the PA unless there is a material change to the notice. A change to the Annual LifeLine Notice to reflect the annual adjustment to California LifeLine income eligibility limits is not a material change to the notice.

4.3.1.4 The Annual LifeLine Notice shall inform Customers of the California LifeLine Program's benefit portability and enrollment request freeze policies.

4.4 Customer Application Form.

4.4.1 An Application Form must be completed when Customers apply to enroll in California LifeLine.

4.4.1.1 A copy of the Application Form and associated instructions can be found at www.californialifeline.com.

4.4.1.1.1 The instructions must inform California LifeLine Applicants that the Commission or the California LifeLine Administrator may audit the Subscriber's eligibility to participate in California LifeLine. The instructions shall also state that if the audit established that the Subscriber is ineligible, the Subscriber will be removed from California LifeLine and billed for previous California LifeLine discounts that the Subscriber should not have received plus interest at the Three-Month Commercial Paper Rate.

4.4.1.1.2 The instructions must inform California LifeLine Applicants that submitted income and/or supporting documentation will not be returned.

4.4.1.2 The Application Form will be partially completed by the California LifeLine Administrator based on information provided by California LifeLine Service Providers.

4.5 Subscriber Renewal Form.

4.5.1 Subscribers may complete a Renewal Form annually prior to their Anniversary Date to verify continued eligibility in California LifeLine.

4.5.1.1 A copy of the Renewal Form and associated instructions can be found at www.californialifeline.com.

4.5.1.1.1 The instructions must inform California LifeLine Subscribers that the Commission or the California LifeLine Administrator may audit the Subscriber's eligibility to participate in California LifeLine. The instructions shall also state that if the audit established that the Subscriber is ineligible, the Subscriber will be removed from California LifeLine and billed for previous California LifeLine discounts that the Subscriber should not have received plus interest at the Three-Month Commercial Paper Rate.

4.5.1.1.2 The instructions must inform LifeLine Subscribers that submitted income and/or supporting documentation will not be returned.

4.5.1.2 The Renewal Forms will be partially completed by the California LifeLine Administrator based on information provided by California LifeLine Service Providers.

4.6 California LifeLine Notices, Forms, and Instructions in the Language of Sale.

4.6.1 The languages currently supported by the California LifeLine Program are found in Section 6.1.1.2.

4.6.2 With the exception of those sales where the Applicant, Subscriber or California LifeLine Service Provider requested the use of an outside translation service, any California LifeLine Service Provider that sells California LifeLine in a language other than English shall provide those Subscribers to whom it sold California LifeLine in a language other than English with the following:

4.6.2.1 Commission-managed California LifeLine notices in the language in which the California LifeLine Service Provider originally sold California LifeLine to the Subscriber.

4.6.2.2 Toll-free access to customer service representative who are fluent in the language in which the California LifeLine Service Provider originally sold California LifeLine to the Subscriber.

4.6.2.3 California LifeLine Service forms and instructions in the language in which the California LifeLine Service Provider originally sold California LifeLine to the Applicant and/or Subscriber.

4.7 California LifeLine Service Providers making changes to their California LifeLine service offering must give 30 days notice to their California LifeLine Subscribers for any of the following reasons:

4.7.1 Increases to the California LifeLine rate pursuant to Section 8 and Public Utilities Code §874(a).

4.7.2 Service restrictions to its California LifeLine Service.

4.8 Non-Traditional Providers may withdraw California LifeLine Service after providing a 30-day notice to Subscribers and fulfilling contractual obligations entered into with their Subscribers. Traditional Carriers must comply with General Order 96-B industry noticing requirements.

5. ELIGIBILITY CRITERIA FOR OBTAINING AND RETAINING CALIFORNIA LIFELINE

5.1 California LifeLine is available to any Customer who meets all of the following eligibility requirements:

5.1.1 The Residence at which the service is requested is the Subscriber's principal place of Residence. An Applicant for California LifeLine Service may report only one address in this state as his/her principal place of Residence.

5.1.2 The Subscriber and members of the Subscriber's Household collectively have one discounted service from either the California LifeLine Program or the federal Lifeline low-income program, except as provided for in Section 5.1.6 of this General Order.

5.1.3 The Customer's eligibility meets either the Income-Based Criterion or the Program-Based Criterion.

5.1.4 Income-Based Criterion allows an Applicant to enroll in California LifeLine based on their/his/her Total Household Income, *i.e.* members of the Applicant's Household collectively earn no more than the mandated annual income limits.

5.1.4.1 The income used to determine eligibility for California LifeLine shall be based on the definition of "Total Household Income" as defined in Section 2.56, above.

5.1.4.2. Total Household Income levels used for establishing eligibility under the Income-Based Criterion are set with reference to the Federal Poverty Guidelines issued annually by the Department of Health and Human Services. The following income eligibility thresholds apply:

5.1.4.2.1 Subscribers who qualify under the Income-Based Criterion and whose Total Household Income is at or below 135% of the Federal Poverty Guidelines are eligible for federal and state support.

5.1.4.2.2 Subscribers whose Total Household Income is greater than 135% of the Federal Poverty Guidelines but less than or equal to 150% of the Federal Poverty Guidelines, are eligible for state support.

5.1.5 Program-Based Criterion allows a Customer to enroll in California LifeLine based on participation by the Applicant or a member of the Applicant's Household in a qualifying assistance program.

5.1.5.1 Approved qualifying assistance programs eligible for both federal and state support are:

5.1.5.1.1 Medicaid or Medi-Cal

5.1.5.1.2 Supplemental Nutrition Assistance Program (SNAP) or CalFresh Program, formerly known as "Food Stamps"

5.1.5.1.3 Supplemental Security Income

5.1.5.1.4 Federal Public Housing Assistance

5.1.5.1.5 Veterans and Survivors Pension Benefit

5.1.5.2 Approved qualifying assistance programs eligible for state support are:

5.1.5.2.1 Low Income Home Energy Assistance Program (LIHEAP)

5.1.5.2.2 Temporary Assistance for Needy Families (TANF), known in California under the following names; (1) California Work Opportunity and Responsibility to Kids (CalWORKs); (2) Stanislaus County Work Opportunity and Responsibility to Kids (StanWORKs); (3) Welfare-To-Work (WTW); (4) Greater Avenues for Independence (GAIN)

5.1.5.2.3 National School Lunch Program (NSLP)

5.1.5.3 Tribal lands as defined in 47 C.F.R. Section 54.400(e) may also establish eligibility through participation in the following additional programs:

5.1.5.3.1 Bureau of Indian Affairs General Assistance

5.1.5.3.2 Tribally Administered Temporary Assistance for Needy Families

5.1.5.3.3 Head Start (for households meeting its income qualifying standard)

5.1.5.3.4 Food Distribution Program on Indian Reservations

5.1.5.4 Customers who qualify under the Program-Based Criterion using programs in Section 5.1.5.1 above, are eligible for federal Lifeline and California LifeLine support from the applicable SSA. Customers who qualify under the Program-Based Criterion using programs in Section 5.1.5.2 above ("California-Only"), are not eligible for federal Lifeline discounts, but are eligible to receive the equivalent amount of federal Lifeline discount in supplemental California LifeLine support in addition to the support from the applicable SSA. Customers who qualify under the Program-Based Criterion under Section 5.1.5.3, above, are eligible for federal Enhanced Tribal Lifeline support.

5.1.5.4.1 A California-Only Subscriber who does not meet federal minimum standards will receive the same level of support that the Subscriber would have received if they had met federal eligibility requirements under 47 C.F.R. Sections 54.409 and 54.410.

5.1.6 A Subscriber shall be eligible to receive two California LifeLine lines if: (i) the Subscriber meets all California LifeLine eligibility criteria set forth above; (ii) a member of the Subscriber's Household is a Disabled Person and has immediate and continuous access within the household to a TTY; and (iii) the TTY is issued by DDTP or a medical certificate indicating the Household member's need for a TTY is submitted.

5.1.6.1 All California LifeLine rules and regulations that apply to the one California LifeLine line shall apply equally to the second California LifeLine Line provided to a Subscriber.

5.2 CD shall calculate California LifeLine income limits by April 15th of each year based on the applicable Federal Poverty Guidelines issued by the Department of Health and Human Services, including appropriate adjustments for inflation using the Federal Consumer Price Index-Urban Areas. Income limits are updated and published annually on the Commission website at (https://www.cpuc.ca.gov/lifeline/). By no later than June 1 of each year, CD shall issue a notice to all California LifeLine Service Providers informing them of adjustments to the California LifeLine income limits. The annual notice shall provide instructions to California LifeLine Service Providers regarding the timing of changes to the income limits and the process for LifeLine Service Providers to implement those changes.

5.2.1 To implement the annual adjustment to California LifeLine income limits, California LifeLine Service Providers shall follow the following procedure:

5.2.1.1 (i) file revised tariffs or LifeLine Schedule of Rates and Charges, whichever is applicable, that reflect (a) the adjusted income limits, and (b) the instructions, if any, contained in the notice of the annual adjustment sent by CD; and (ii) revise their annual LifeLine

notice to reflect the adjusted LifeLine income limits.

5.3 No California LifeLine Service Provider shall knowingly enroll into California LifeLine an Applicant who does not meet the California LifeLine eligibility criteria. No California LifeLine Service Provider shall knowingly allow a Subscriber to remain in California LifeLine who does not meet the California LifeLine eligibility criteria.

5.4 Each Applicant enrolling in California LifeLine is subject to the Application Process described below:

5.4.1 Upon receiving the Application Form, the Customer has the option of enrolling in California LifeLine under either: (i) the Program-Based Criterion, or (ii) the Income-Based Criterion.

5.4.1.1 Program-Based Criterion: If the Applicant has a Household member currently enrolled in any of the qualifying assistance programs listed in Section 5.1.5 of this General Order, the Applicant should enroll under the Program-Based Criterion. To satisfy the Program-Based Criterion, the Applicant must: (a) complete and sign the Application Form; and (b) provide documentation demonstrating that the Applicant qualifies for LifeLine based on participation in qualifying assistance program.

5.4.1.1.1 Acceptable documentation of program eligibility includes the current or prior year's statement of benefits from a qualifying assistance program, a notice or letter of participation in a qualifying assistance program, a program participation document, or another official document demonstrating that the applicant, or a member of the Applicant's Household, receives benefits from a qualifying assistance program.

5.4.1.2 Income-Based Criterion: If the Applicant does not have a Household member currently enrolled in any of the qualifying assistance programs listed in Section 5.1.5 of this General Order, the Applicant can demonstrate eligibility under the Income-Based Criterion. To satisfy the Income-Based Criterion, the Applicant must: (a) complete and sign the Application Form; and (b) provide documentation demonstrating that the Applicant's Total Household Income does not exceed the mandated annual income limits established by the Commission.

5.4.1.2.1 Acceptable documentation of income eligibility includes: the prior year's state, federal, or Tribal tax return; current income statement from an employer or paycheck stub; a Social Security statement of benefits; a Veterans Administration statement of benefits; a retirement/pension statement of benefits; an Unemployment/Workers' Compensation statement of benefit; federal or Tribal notice letter of participation in General Assistance; or a divorce decree, child support award, or other official document containing income information. If the Applicant presents documentation of income that does not cover a full year, such as current pay stubs, the Applicant must present the same type of documentation covering three consecutive months within the previous twelve months.

5.4.2 The Application Form shall be signed by the Applicant whose name appears on the California LifeLine Service Provider's account, the Applicant's legal guardian or a person operating pursuant to a power of attorney for such Applicant.

5.4.2.1 By signing the Application Form, the Applicant is certifying, under penalty of perjury, that the information contained in the completed form and submitted documents, if any, are true and correct.

5.4.2.2 In the Application Form, the Applicant must provide: (a) the Applicant's full name; (b) the Applicant's full Residential address; (c) whether the Residential address is permanent or temporary; (d) the Applicant's billing address, if different from the Residential address; (e) the Applicant's date of birth; and (f) the last four digits of the Applicant's social security number, or the Applicant's Tribal identification number, if the Applicant is a member of a Tribal nation and does not have a social security number.

5.4.2.3 If the Applicant is seeking to qualify under the Income-Based Criterion, the Applicant shall also identify on the Application Form the number of individuals in the Applicant's Household. If the Applicant is seeking to qualify under the Program-Based Criterion, the Applicant also shall identify on the Application Form the name of the qualifying assistance program through which eligibility is being requested and the name of the individual in the Applicant's Household who receives benefits under the qualifying assistance program.

5.4.2.4 The Application shall also advise the Applicant that: (a) LifeLine is a federal and state benefit and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program; (b) only one LifeLine Service is available per Household; (c) a Household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; (d) a Household is not permitted to receive LifeLine benefits from multiple providers; (e) violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the Applicant's de-enrollment from the LifeLine; and (f) LifeLine is a non-transferable benefit and the Applicant may not transfer their/ his/ her benefit to any other person.

5.4.2.5 The Application shall provide the following information to each Applicant, and the Applicant must initial their/ his/ her acknowledgement of each notification: (a) the Applicant meets the Income-Based Criterion or the Program-Based Criterion for receiving LifeLine; (b) the Applicant will notify the Carrier within 30 days if for any reason they/ he/ she no longer satisfies the criteria for receiving LifeLine support, the Applicant is receiving more than one LifeLine benefit, or another member of the same Household is receiving a LifeLine benefit; (c) if the Subscriber is seeking to qualify for LifeLine as an eligible Resident of Tribal lands, the/ he/ she lives on Tribal lands; (d) if the Applicant moves to a new address and intends to retain LifeLine support, they/ he/ she will provide that new address to their California LifeLine Service Provider within 30 days; (e) the Applicant's household will only receive one LifeLine service, and, to the best of their/ his/ her knowledge, the Applicant's Household is not already receiving a LifeLine service; (f) the information in the Applicant's certification form is true

and correct to the best of their/ his/ her knowledge; (g) the Applicant acknowledges that providing false or fraudulent information to receive LifeLine benefits is punishable by law; and (h) the Applicant acknowledges that the Applicant may be required to re-certify their/ his/ her continued eligibility for LifeLine at any time, and the Applicant's failure to re-certify as to their/ his/ her continued eligibility will result in de-enrollment and the termination of the Applicant's LifeLine benefits.

5.4.3 The completed Application Form and supporting documents, if any, must be received by the California LifeLine Administrator on or before the Deadline Date specified in the Application Form.

5.4.4 Any applicant who fails to return the Application Form or otherwise fails to qualify for California LifeLine as specified on the Application Form by the Deadline Date shall have their Application rejected.

5.4.5 A Subscriber changing their/ his/ her California LifeLine Service Provider shall not be required to undergo the Application Process, provided that the Subscriber initiates California LifeLine Service with their/ his/ her new California LifeLine Service Provider within 30 days of disconnecting California LifeLine Service with the previous California LifeLine Provider and the Subscriber maintains eligibility in all other respects. If a Subscriber changes their/ his/ her principal place of Residence, while maintaining eligibility in all other respects, the Subscriber shall not be required to go through the Application Process again.

5.4.6 Upon successful completion of the Application Process, the Subscriber's voice service will be converted to California LifeLine Service and the Subscriber's account will be credited the difference between California LifeLine rates and charges and Regular Rates and charges, as outlined in Section 8.1 of this General Order, and any deposits related to Basic Service, as of the California LifeLine Subscriber's Application Date. Subscribers with a net credit balance of at least $10.00 reflected on their next bill may request a refund check in the amount of such net credit balance from their California LifeLine Service Provider.

5.5 To remain in California LifeLine, each California LifeLine Subscriber is subject to the annual Renewal Process described below:

5.5.1 The Subscriber has the option of qualifying their/ his/ her continued eligibility under either: (i) the Program-Based Criterion, or (ii) the Income-Based Criterion.

5.5.1.1 Program-Based Criterion: The Subscriber will be deemed eligible under the Program-Based Criterion if: (a) the Subscriber provides a signed certification that the Subscriber or a member of the Subscriber's Household is enrolled in a qualifying assistance program listed in Section 5.1.5 of this General Order; and (b) the Subscriber provides a form providing each of the required materials in Section 5.4.2 of this General Order, with initials confirming each of the attestations in the Section 5.4.2.5 of this General Order; or (c) the California LifeLine Administrator makes an eligibility determination based on database access of a qualifying program.

5.5.1.2 Income-Based Criterion: If the Subscriber does not have a Household member currently enrolled in any of the qualifying assistance programs listed in

Section 5.1.5 of this General Order, the Subscriber can demonstrate continued eligibility under the Income-Based Criterion if the Subscriber provides: (a) a signed certification that the Subscriber or a member of the Subscriber's Household meets the income-based eligibility requirements in Section 5.1.4 of this General Order; (b) a form providing each of the required materials in Section 5.4.2 of this General Order, with initials confirming each of the attestations in the Section 5.4.2.5 of this General Order.

5.5.2 The Renewal Form shall be signed by the Subscriber whose name appears on the California LifeLine Service Provider's account, the Subscriber's legal guardian, or a person operating pursuant to a power of attorney for the Subscriber.

5.5.2.1 By signing the form, the Subscriber is certifying, under penalty of perjury, that the information contained in the completed form and all submitted documents, if any, are true and correct.

5.5.3 The completed Renewal Form must be received by the California LifeLine Administrator on or before the due date specified on the Renewal Form.

5.5.4 Any Subscriber who fails to qualify for continued eligibility in California LifeLine, or who fails to return the required Renewal Form by the Deadline Date shall be removed from the California LifeLine Program. Upon notification from the California LifeLine Administrator, the California LifeLine Service Provider shall discontinue LifeLine discounts to the Subscriber starting with the Denial Date provided by the California LifeLine Administrator. The Denial Date shall be no later than five business days after the expiration of the Subscriber's time to respond to the Renewal Form. No Service Conversion Charges shall be billed to the Subscriber for this change in service.

5.5.5 Applicants who wish to re-establish California LifeLine service after removal from California LifeLine will be treated as a new Applicant, subject to the Application Process pursuant to Section 4.2 and a Service Conversion Charge (once the Applicant has successfully re-established California LifeLine Service). The California LifeLine discount will be effective on the Application Date, and not be applied retroactively to the prior enrollment period.

5.6 California LifeLine Subscribers must notify their California LifeLine Service Provider of any change that causes the California LifeLine Subscriber to no longer qualify for (i) California LifeLine, or (ii) a second California LifeLine Line. Within five business days of receipt of this notification, the California LifeLine Service Provider will change the Subscriber's California LifeLine Service to Basic Residential Telephone Service. No Service Conversion Charges shall be billed to the Subscriber for this change in service.

5.6.1 The California LifeLine Service Provider may require a deposit, if applicable.

5.6.2 If a LifeLine Service Provider receives a request from a Subscriber to de-enroll from the LifeLine program, the LifeLine Service Provider shall de-enroll the Subscriber within two business days after the request.

5.7 De-enrollment for non-usage

5.7.1 For LifeLine Service that does not require the LifeLine Service Provider to assess and ~~or~~ collect a monthly fee from its Subscribers, Subscribers are subject to de-enrollment if they do not ~~activate the service or~~ use the service for a 30-day period.

5.7.1.1 For purposes of this de-enrollment provision, "usage" is defined according to the requirements of 47 C.F.R. § 54.407(c)(2).

5.7.2 The non-usage rules include plans that offer copayments to the Subscribers in which no monthly fees are assessed in addition to the non-copayment plans where monthly fee is assessed for a 30-day period.

5.7.3 LifeLine Service Providers must send a clear non-usage notice to subscribers for inactivity; if service is not used within 15 days of the notice, de-enrollment from the program will occur.

5.7.4 Service providers must submit their monthly non-usage reports along with their monthly claims to the CPUC. If they fail to submit these reports, the CPUC may withhold reimbursements.

~~5.7.2 If a Subscriber has not used a service for which a monthly fee is not assessed for a 30-day period, the LifeLine Service Provider must provide the Subscriber with a notice in clear, easily understood language, that the Subscriber's failure to use the service within 15 days of the notice will result in de-enrollment for non-usage of the service. If the Subscriber fails to use the service within 15 days of the notice, the Subscriber shall be removed from the LifeLine program.~~

5.8 The Commission and/or the California LifeLine Administrator may audit and verify a Subscriber's eligibility to participate in the California LifeLine Program.

5.8.1 Any California LifeLine Subscriber who is found to be ineligible to participate in the California LifeLine Program shall be removed from California LifeLine.

5.8.1.1 Upon notification from the Commission or the California LifeLine Administrator, the California LifeLine Service Provider shall change the ineligible Subscriber's California LifeLine account and apply Regular Rates. Such notification shall specify the effective date of the change (based on the Denial Date). No Service Conversion Charges shall be billed to the Subscriber for this change in service.

5.8.1.1.1 The California LifeLine Service Provider may require a deposit, if applicable.

5.8.2 The California LifeLine Service Provider may bill the ineligible Subscriber for any California LifeLine discounts that the Subscriber should not have received, plus interest determined in accordance with the Three-Month Commercial Paper Rate.

5.8.2.1 The Commission will inform the California LifeLine Service Provider of the amount recovered from the ineligible Subscriber and the applicable portion of this amount that should be returned to the federal Lifeline and/or Link-Up programs and the California LifeLine Fund.

5.8.2.2 The California LifeLine Service Provider will include in the California LifeLine claim the amount remitted to the federal Lifeline and/or Link-Up programs as directed by the Commission.

5.9 Customers may dispute the California LifeLine Administrator's finding of ineligibility by submitting an Informal Appeal to the Commission's Consumer Affairs Branch (CAB) in writing to

"CPUC Informal Complaints", 505 Van Ness Ave., San Francisco, CA 94102; or on the internet/web at http://www.cpuc.ca.gov/cab/.

5.9.1 If the California LifeLine Administrator's determination of ineligibility is overturned on appeal, Lifeline discounts shall be applied retroactive to the Application Date for a new Subscriber or the Anniversary Date for a renewing Subscriber.

5.10 A California Lifeline Applicant whose appeal with the Commission's Consumer Affairs Branch is denied and who wishes to pursue the matter further, may file a Formal Complaint with the Commission. Information on the Consumer Affairs Branch and how to file a Formal Complaint shall be displayed at: http://www.cpuc.ca.gov/cab/.

5.11 California LifeLine Subscribers who enroll in LifeLine for the first time or transfer between LifeLine Service Providers are subject to a benefit portability freeze.

5.11.1 The duration of the benefit portability freeze shall be up to 24 hours from the time of enrollment.

5.11.2 The benefit portability freeze duration applies to Subscribers with approved eligibility status who are receiving California LifeLine service.

5.11.3 The California LifeLine Subscriber must remain with the same California LifeLine Service Provider for the duration of the benefit portability freeze in order to continue to receive California LifeLine discounts.

5.11.4 After completing the duration of the benefit portability freeze, the California LifeLine Subscriber may freely choose to switch to a different California LifeLine Service Provider or remain the with same California LifeLine Service Provider.

5.11.5 Commission Staff may refer any instance in which California LifeLine Service Providers do not comply with the California LifeLine Program's benefit portability freeze duration to the Commission's Utility Enforcement Branch.

5.12 Applicants to the California LifeLine Program shall be subject to a 30-day enrollment request freeze.

5.12.1 The duration of the enrollment request freeze shall begin when the California LifeLine Administrator generates an application packet.

5.12.2 Application packets generated by the California LifeLine Administrator to enable a Applicant to correct previous applications shall not trigger the start of the enrollment request freeze nor shall the date of the subsequent application packets intended to prompt the Applicant to actually apply.

5.12.3 The California LifeLine Administrator must have the Applicant's personal information to accurately identify the Applicant at the time of enrollment request.

5.12.4 The enrollment request freeze shall not be imposed where the California LifeLine Administrator does not have access to the Applicant's name, Residential service address, and date of birth, and last four digits of the social security number or Tribal Identification.

5.12.5 The enrollment request freeze ends when one of the following occurs:

5.12.5.1 California LifeLine Administrator sends the final eligibility decision to the

Applicant;

5.12.5.2 The Applicant or California LifeLine Service Provider cancels the request; or

5.12.5.3 Thirty days have passed since the California LifeLine Administrator generated the application packet or confirmed that the request is an inter-Carrier transfer request whereby the benefit portability freeze duration does not apply.

6. CALIFORNIA LIFELINE ADMINISTRATOR

6.1 The California LifeLine Administrator is a third-party administrator retained under contract by the Commission.

6.1.1.1 The role of the California LifeLine Administrator is to qualify new Applicants and to verify the continued eligibility of existing California LifeLine Subscribers.The California LifeLine Administrator must furnish all California LifeLine Forms (Application, Renewal, Renewal (Documentation Required)), instructions and letters to Customers in their language of sale (if supported by the program), as that language preference is provided to the California LifeLine Administrator by the California LifeLine Service Providers.

6.1.1.2 The California LifeLine Program currently supports English, Spanish, Chinese (Mandarin and Cantonese), Korean, Vietnamese, Tagalog, Japanese, and English Braille. All supported languages (except for Braille) are available in Large Print.

6.1.2 The schedule that the California LifeLine Administrator must adhere to in evaluating an Applicant's or Subscriber's qualification can be found at https://www.cpuc.ca.gov/InformationForProvidingService.

6.2 All California LifeLine Service Providers must notify the California LifeLine Administrator before their initial offering of California LifeLine and arrange the two-way exchange of its California LifeLine Subscriber data.

6.3 California LifeLine Service Providers shall provide California LifeLine Subscriber data to the California LifeLine Administrator notwithstanding any tariff, contractual, or legal restrictions on limiting the disclosure of non-published Customer information.

6.3.1 All California LifeLine Service Providers must provide the California LifeLine Administrator with their California LifeLine Subscriber/ Applicant activities by the end of the next business day after the service order completion.

6.3.2 All California LifeLine Service Providers must provide the California LifeLine Administrator with all California LifeLine Subscriber/ Applicant activities initiated by the California LifeLine Service Providers by the end of the next business day after the service order completion date.

6.3.3 The California LifeLine Administrator shall provide each California LifeLine Service Provider the following information on California LifeLine subscribers by the end of the next business day from the time of completion of the Applicant's or Subscriber's qualification review:

6.3.3.1 Newly enrolled Subscribers who are found eligible to participate in California LifeLine during the Application Process.

6.3.3.2 Applicants who are found ineligible to participate in California LifeLine during the Application Process.

6.3.3.3 Existing LifeLine Subscribers who are found eligible to remain in California LifeLine.

6.3.3.4 Existing California LifeLine Subscribers who are found ineligible to remain in California LifeLine.

6.3.3.5 A daily weighted average California LifeLine Subscriber count on a monthly basis.

6.4 The California LifeLine Administrator shall notify California LifeLine Applicants and Subscribers in writing of the final decision of their California LifeLine eligibility, including the right to appeal the California LifeLine Administrator's findings.

7. SERVICE ELEMENTS, SERVICE DEPOSITS & SERVICE REQUIREMENTS OF CALIFORNIA LIFELINE

7.1 California LifeLine Service Providers offering California LifeLine Service shall offer their subscribers the service elements set forth in Appendices A and B of this General Order, as follows:

7.1.1 Appendix A-1: Service Elements of California LifeLine Wireline;

7.1.2 Appendix A-2: Service Elements of California LifeLine Wireless;

7.1.3 Appendix B, Section II: Service Elements Fixed-VoIP Service Elements.

7.2 To voluntarily participate in the California LifeLine Program, Fixed-Voice over Internet Protocol (VoIP) Providers without a CPCN will comply with the California LifeLine Program Participation Rules, and Requirements in Appendix B.

7.3 California LifeLine is restricted to Customers who meet the criteria set forth in Section 5, above.

7.4 Foreign exchange, farmer lines, and other non- LifeLine Services are excluded from California LifeLine.

7.5 California LifeLine Service Providers may require Customers to post a deposit upon service initiation consistent with this sub-section:

7.5.1 May not collect a service deposit from an Applicant or Subscriber if the LifeLine Service Provider does not charge any additional fees for toll calls or if the Applicant or Subscriber elects Toll Limitation Service.

7.5.2 Upon notification of California LifeLine eligibility from the California LifeLine Administrator, California LifeLine Service Providers must credit the deposit on the Subscriber's bill statement (if applicable). California LifeLine Service Providers may require a deposit for other services ordered by the California LifeLine Subscriber.

7.6 California LifeLine Service Providers may require a California LifeLine Subscriber to pay any overdue California LifeLine rates and charges incurred by that Subscriber, or make payment arrangements, before California LifeLine is reinstated at the same or new address.

7.7 Other than previously stated, California LifeLine is subject to the conditions of "Discontinuance and Restoration of Service" as set forth in the California LifeLine Service Provider's tariffs or Schedule of Rates and Charges related to service termination and reconnection.

7.8 If a Subscriber is disconnected for nonpayment of toll charges, a California LifeLine Service Provider must provide California LifeLine to the Subscriber if the Subscriber elects to receive Toll Blocking.

7.9 California LifeLine Service Providers shall:

7.9.1 Offer California LifeLine Service on a non-discriminatory basis.

7.9.2 Offer LifeLine Service on the same terms and conditions as other comparable services offered to non-LifeLine Customers, except as provided for in the California LifeLine Program requirements.

7.9.3 Offer at least one California LifeLine plan that meets or exceeds the California LifeLine service elements, and is not bundled with any video or data services, except that Wireless LifeLine providers are not required to offer a standalone voice LifeLine plan. The provider may offer added features and/or enhanced service elements without additional charge(s) while meeting this California LifeLine unbundled obligation.

7.9.4 Exempt LifeLine Subscribers from paying public purpose program Surcharges, the Commission's user fee, federal excise tax, local franchise tax, and California 911 tax.

7.10 California LifeLine Service Providers will submit LifeLine consumer education and/or marketing materials, including scripts used by customer service representatives, to the Communications Division for review and approval prior to dissemination to the public. The LifeLine marketing materials will be deemed approved 30 days after filing unless the Communications Division notifies the LifeLine Service Provider in writing that it has suspended the review process. Written notice of suspension shall describe any unresolved issues or questions that merit additional review necessary to protect the integrity of the California LifeLine Program, ensure rule compliance, and prevent fraud. The California LifeLine Service Provider shall promptly respond to and work cooperatively with the Communications Division to expeditiously address compliance concerns raised by the LifeLine marketing materials review. The Communications Division will provide written notice of approval of LifeLine marketing materials that have been subject to suspension.

7.11 California LifeLine Service Providers will comply with the following enrollment related requirements:

7.11.1 Obtain a Customer's California LifeLine or federal Lifeline eligibility determination from the California LifeLine Administrator.

7.11.2 Comply with all eligibility rules and validation checks in the enrollment process administered by the California LifeLine Administrator.

7.11.3 Facilitate, participate in, and comply with the California LifeLine Administrator's enrollment process to eliminate waste, fraud, and abuse.

7.13 Wireless LifeLine Providers shall also include the information regarding the limited reimbursement of Service Connection/Activation Charges in their annual notice as ordered in Decision 17-01-032.

7.14 Wireless LifeLine Providers shall not terminate the California LifeLine Subscriber's service or encourage California LifeLine Subscribers to terminate and reinstate service for the purpose of collecting reimbursement for Service Connection/ Activation Charges. Wireless LifeLine Providers must also comply with the following to receive reimbursement for Service Connection/ Activation Charges:

(a) Termination for non-payment of bills, consistent with the Wireless LifeLine Providers' published terms and conditions, shall continue to be permitted but such providers shall not churn existing California LifeLine Subscribers to generate reimbursement claims for

Service Connection/Activation Charges.

(b) Wireless LifeLine Providers will be subject to audit or review by Commission staff or its designee. If, after audit or review, Commission staff (or staff's designee) determines that a Wireless LifeLine Provider is artificially churning an existing California LifeLine Subscriber in order to receive monetary support for Service Connection/ Activation Charges, Commission staff shall disallow reimbursement for the Service Connection/Activation charge(s) the provider claimed for the affected California LifeLine Subscriber.

7.15 Wireless LifeLine Providers shall continue to track their own California LifeLine Subscribers' activities relevant to determining eligibility for reimbursement of Service Connection/ Activation Charges for auditing purposes.

7.16 California Public Utilities Commission staff maintain the ministerial authority to revise administrative guidelines and to determine the type and frequency of information provided by California LifeLine Service Providers and by Customers to enroll and participate in the California LifeLine Program.

8. CALIFORNIA LIFELINE RATES AND CHARGES

8.1 California LifeLine Service Providers shall offer California LifeLine priced at the following rates and charges:

8.1.1 Discounted nonrecurring Service Connection Charge for the initial installation or activation of a single LifeLine Service connection associated with the LifeLine Subscriber's principal place of Residence.

8.1.1.1 For California LifeLine Wireline Service Providers, the California LifeLine Service Connection/ Activation Charge shall equal the lowest of (i) $10.00, or (ii) 50% of the California LifeLine Service Provider's Service Connection Charge.

8.1.1.2 The California LifeLine Service Connection Charge is applicable to each eligible Household residing at the same principal place of Residence.

8.1.1.3 For California LifeLine Wireline Service Providers, the California LifeLine Service Connection/ Activation Charge may be applicable any time a Subscriber (i) establishes a new telephone connection (ii) re-establishes California LifeLine at the same principal place of Residence at which California LifeLine was previously provided, (iii) establishes California LifeLine at a new principal place of Residence, or (iv) switches California LifeLine from one California LifeLine Service Provider to another.

8.1.1.4 For California LifeLine Wireless Service Providers, the California LifeLine Service Connection/ Activation Charge is limited to the following: (1) the California LifeLine Subscriber establishing California LifeLine wireless telephone service for the first time; and (2) switching from one California LifeLine Service Provider, whether wireline or wireless, to a California LifeLine Wireless Service Provider. Changes unrelated to Service Connection/ Activation such as changing wireless telephone service plans, phone numbers, or service address updates within the same California LifeLine Wireless Service Provider do

not qualify for Service Connection/ Activation Charge support.

8.1.1.5 California LifeLine Service Providers may not impose a "central office charge" in addition to the California LifeLine Service Connection/Activation Charge when installing or activating California LifeLine.

8.1.1.6 Installation of a second and subsequent telephone service connection shall be subject to the California LifeLine Service Provider's Service Connection/ Activation Charge at Regular Rates, except that Subscribers with a Disabled Person as a Household member may qualify for California LifeLine Service Connection/Activation Charges on two residential telephone connections as per this General Order.

8.1.2 Deferred payment of the California LifeLine Service Connection Charge.

8.1.2.1 California LifeLine Service Providers shall offer California LifeLine Subscribers the option of paying the California LifeLine Service Connection/ Activation Charge in equal monthly installments with no interest for a period not to exceed 12 months.

8.1.2.2 California LifeLine Service Providers may charge a late-payment fee when California LifeLine Subscribers fail to timely remit some or all of the California LifeLine Service Connection/ Activation Charge under a deferred-payment schedule.

8.1.3 Discounted nonrecurring charge for Service Conversion/ Activation Charge.

8.1.3.1 For California LifeLine Wireline Service Providers, the California LifeLine Service Conversion Charge (if applicable) shall equal the lowest of (i) $10.00, (ii) 50% of the California LifeLine Service Provider's Service Connection/ Activation Charge at Regular Rates for the initial connection of a single residential telephone line or (iii) the California LifeLine Service Provider's Service Conversion Charge.

8.1.3.2 The California LifeLine Service Conversion/ Activation Charge is applicable each time a California LifeLine Subscriber affects a change in the class, type, or grade of service, including requests to change from Foreign Exchange Service. There is no limit on the number of times a California LifeLine Subscriber may pay the California LifeLine Service Conversion/ Activation Charge when they/ he/ she initiates a change in the class, type, or grade of service.

8.1.3.3 No Service Conversion/ Activation Charge may be assessed on an Applicant or claimed from the California LifeLine fund if a California LifeLine Applicant fails to qualify. No Service Conversion/ Activation Charge shall be assessed on a Subscriber or claimed from the California LifeLine fund if a subscriber is removed from California LifeLine (either voluntarily or involuntarily).

8.1.3.4 No conversion charge may be assessed or claimed by a Wireless LifeLine Provider for Subscribers that choose to switch from one LifeLine plan to a different LifeLine plan offered by the same provider.

8.1.4 Discounted monthly California LifeLine rate for Flat Rate Service.

8.1.4.1 After the application of the LifeLine discount(s), California LifeLine Subscribers will pay no more than ½ their California LifeLine Service Provider's Flat Rate Service.

8.1.5 Subscribers shall not be charged for the federal End User Common Line (EUCL) charge, also known as the Subscriber Line Charge (SLC).

8.1.6 Subscribers shall not be charged for Toll-Limitation Service (including, but not limited to, Toll Blocking or Toll Control).

8.1.7 There shall be no charge or related credits to California LifeLine Subscribers' LifeLine Service for Surcharges including the following: California High Cost Fund A (CHCF-A) Surcharge, California High Cost Fund B (CHCF-B) Surcharge, California Teleconnect Fund (CTF) Surcharge, California Relay Service and Communications Device Fund Surcharge (DDTP), the California LifeLine (ULTS) Surcharge, the California Advanced Services Fund (CASF) Surcharge, and the CPUC User fee.

8.1.7.1 These Surcharges will apply to any other intrastate telecommunications services purchased by California LifeLine Subscribers, as required by law.

8.1.7.2 California LifeLine Service Providers shall pay to the appropriate taxing authorities the applicable taxes, fees, and Surcharges billed to California LifeLine Subscribers and claimed against the California LifeLine Fund.

8.2 A California LifeLine Service Provider may require advance payments for California LifeLine Service, not to exceed one month's rates and charges. California LifeLine Providers should not assess a fee to LifeLine Subscribers for paying their bills in person by cash, check, or other form of payment.

8.3 Optional service features, network services, and equipment that are not part of California LifeLine rates and charges, will be available to Subscribers at the California LifeLine Service Provider's Regular Rates and charges.

8.3.1 Non-California LifeLine Lines and services will be available to Subscribers at the applicable Regular Rates and charges.

8.3.1.1 This General Order shall not apply to the purchase of any additional, non-California LifeLine Lines, services, features, options, and network capabilities by California LifeLine Subscribers.

8.4 Except as specifically modified by this General Order, all rules, regulations, rates and charges in conjunction with the California LifeLine Service Provider's tariffs or terms and conditions applicable to non-California LifeLine services are also applicable to the service provided under California LifeLine.

8.5 The set price SSA methodology with $0.00 copayment correlating with the level of Minimum Service Standard ("MSS") for the purposes of computing the SSA. ~~Uniform Regulatory Framework COLRs participating in California LifeLine are required to submit a rate sheet of all their basic Flat Rate Service rates effective July 31st of each year for the purposes of computing the SSA.~~

8.5.1 For each defined level of wireless MSS the predetermined SSA amount is as follows.

8.5.1.1 Plans with $0.00 copayment.

(i) Basic plan with MSS of 6 gigabytes (GB) and its associated SSA of $13.
(ii) Standard plan with MSS of 15 GB and its associated SSA of $19.00.
(iii) Family plan with MSS of 15 GB and its associated SSA of $19.00.

8.5.1.2 Plans with copayment and hotspot

(i) MSS of 25 GB and its associated SSA will be $20.00.

(ii) MSS of 40 GB and its associated SSA will be $20.00.

8.5.2 For each defined level of wireline plans,

8.5.2.1 Service providers updating their annual rates must submit these updates to the CD staff for review via a Tier 2 advice letter by~~eginning of~~ January 1 of each year and will take effect on April 1 of the following calendar year. If a wireline service provider does not file an advice letter regarding updates to their rates, staff will use the previous year's rates.~~Failure to file this advice letter will result in the previous year rates being used.~~ For Tier A plans, the calculation for the SSA will be the lower of these two amounts, (i) 55% of the service provider's combined rate and the end user common line charge or, (ii) The maximum SSA cap is~~of~~ $19.00.

8.5.2.2 For Tier B bundled plan which includes voice and broadband, should have (i) A broadband connection speed of 100/20 Mbps, (ii) A data allowance of 1,28~~3~~0 GB per month, and its associated SSA of $21.00.

8.5.3 CD may conduct a market analysis~~monitor the retail market price~~ to evaluate affordability and market changes to~~and~~ update the ~~set price~~ SSA to align with the market price periodically.

8.5.4 CD may update the administrative cost factor annually, by no greater than the CPI-U.

8.6 California LifeLine Service Providers who provide bills shall specifically show all Lifeline reductions, or their equivalent, on the California LifeLine Subscriber's bill.

8.6.1 If reductions are not shown as separate line items, California LifeLine Service Providers shall provide a revised sample bill format to the Public Advisor that includes a section showing the discounts being provided to the customer.

8.6.2 California LifeLine Service Providers must, at a minimum, show the regular non-LifeLine rate, Federal support credits, and any California LifeLine support credits on Subscriber's bills in a manner discernible by the public, which may include, but is not limited to, a bill message.

8.6.3 The requirement to show reductions under Section 8.6 does not apply to taxes

and/or fees waived for Subscribers with respect to California LifeLine.

9. REPORTS AND CLAIMS FOR REIMBURSEMENT OF CALIFORNIA LIFELINE-RELATED COSTS

9.1 Eligible California LifeLine Service Providers.

9.1.1 Any California LifeLine Service Provider may submit a claim for the reimbursement of its California LifeLine-related costs and lost revenues.

9.2 Recoverable California LifeLine Costs and Lost Revenues.

9.2.1 A California LifeLine Service Provider may recover from the California LifeLine Fund up to the SSA, California LifeLine non-recurring charges (Service Connection/ Activation Charges, Service Conversion Charges, applicable taxes/ Surcharges, interest (if applicable), one-time implementation costs, other amounts expressly authorized by the Commission, and administrative expenses as set forth in Section 9.3.10, 9.3.12 and 9.3.13 of this General Order.

9.2.1.1 California LifeLine Service Providers may recover the SSA as set forth in Appendix C, as applicable.

9.2.1.2 California LifeLine Service Providers may recover amounts expressly authorized by the Commission as set forth in Appendix C, as applicable.

9.3 California LifeLine Service Providers may recover the following costs and lost revenues from the California LifeLine Fund:

9.3.1 Lost revenues caused by providing Subscribers with (i) California LifeLine Service Connection/ Activation Charges, (ii) California LifeLine Service Conversion Charges, (iii) California LifeLine Service for separate Households at a given physical address, and (iv) California LifeLine Service for a second TTY line under Section 4.2.3 not recoverable from the federal Lifeline program.

9.3.1.1 For Wireless LifeLine Providers, the reimbursement amount for Service Connection/ Activation ~~and Service Conversion~~ Charges shall be capped at $15~~39~~.00 per Subscriber per instance, with a limit of not more than one~~two~~ discount~~s~~ per California LifeLine Subscriber starting from the initial date of service per year~~per calendar year~~.

9.3.2 Each California LifeLine Service Provider with eligible California LifeLine Subscribers will be paid the portion of the SSA necessary to reimburse the Carrier for discounts as specified in Section 8 of the GO provided to California LifeLine Subscribers, whichever is lower and adjusted on its Subscribers' bills on a per-subscriber basis based on the daily weighted-average customer counts supplied monthly by the California LifeLine Administrator.

9.3.2.1 The weighted average subscriber counts supplied to California LifeLine

Service Providers will include prior month adjustments for pre-qualification back-credits and successful appeals.

9.3.2.2 Beginning January 1, 2013, there will be an assumed payment floor of $5.00 for California LifeLine Flat Rate Service in the calculation of the SSA recovery.

9.3.3 The taxes, fees, and Surcharges associated with the federal portion of the California LifeLine discount provided to California LifeLine Subscribers.

9.3.4 The taxes, fees, and Surcharges that a California LifeLine Service Provider pays on behalf of its California LifeLine Subscribers.

9.3.4.1 The base for calculating the reimbursable amount of Federal Excise Tax (FET) shall include only the lost revenues from the following items: (a) Service Conversion Charges, (b) Flat Rate Service, (c) EUCL, (d) Surcharges, and (e) allowable recovery of untimed calls. Service Connection/ Activation Charges are exempted from the tax. The following table summarizes how the federal excise tax must be calculated and reported on the California LifeLine Claim Form:

Base for Federal Excise Tax
Service Conversion Charges
Flat Rate Service
EUCL
Allowable Recovery Untimed Calls
Surcharges:
Bill & Keep/Other rate cases

9.3.4.2 California LifeLine Service Providers shall not be reimbursed for Federal Excise Taxes unless such taxes and fees are calculated and reported in accordance with the above instructions.

9.3.4.3 If a California LifeLine Service Provider's actual liability for the taxes, fees, and Surcharges that it pays on behalf of its California LifeLine Subscribers differs from the amount that was previously reimbursed by the California LifeLine Fund, the California LifeLine Service Provider shall report the difference, whether positive or negative, as a true up on its California LifeLine Claim Form.

9.3.5 Interest and penalties assessed by taxing authorities that stem from the taxes, fees, and Surcharges that the California LifeLine Service Providers pay on behalf of their California LifeLine Subscribers.

9.3.5.1 Any interest and penalties that clearly stem from the negligence of the California LifeLine Service Provider shall not be reimbursed by the California LifeLine Fund.

9.3.5.2 CD may determine whether, and to what extent, the interest and penalties assessed by a taxing authority should be reimbursed by the California LifeLine Fund.

9.3.6 Administrative and interest costs incurred to provide deferred-payment schedules for California LifeLine Service Connection/ Activation Charges.

Reimbursement for interest costs shall be based on (i) the Three-Month Commercial Paper Rate, and (ii) the assumption that all deferred payment are made on time.

9.3.7 The California LifeLine Fund shall not reimburse a California LifeLine Service Provider for the Regular Rates of its Toll Limitation Services included in its tariff or California LifeLine Schedule of Rates and Charges, as applicable.

9.3.8 A per-subscriber administrative cost reimbursement based on the lesser of actual expenses incurred or the set administrative support amount (up to $0.50 per Subscriber). This reimbursement rate is available to all California LifeLine Service Providers that provide their California LifeLine administrative cost information with their monthly claims. Those California LifeLine Service Providers that do not submit administrative cost information will be reimbursed at a rate of the California LifeLine Service Provider with the lowest submitted administrative costs. These rates can be increased annually by no greater than the Consumer Price Index – Urban (CPI-U) rate.

9.3.8.1 The following costs shall be considered in calculating the California LifeLine Service Provider's actual expenses for California LifeLine administrative costs:

9.3.8.1.1 Demonstrably Incremental Costs should be reported as part of the claims disclosure. These include costs associated with the time spent by California LifeLine Service Provider representatives to (i) provide required notifications to Residential Customers about the availability of California LifeLine, (ii) ask Residential Customers if they are eligible to participate in the California LifeLine program, (iii) obtain verbal indication from Residential Customers regarding their eligibility to participate in the California LifeLine program, (iv) inform Applicants that they must return the signed Application Form on or before the Deadline Date specified on the form, and (v) inform Applicants of the yearly renewal requirement.

9.3.8.1.2 The Incremental Costs incurred by a California LifeLine Service Provider to develop, deploy, and operate systems and procedures associated with the provision of a second California LifeLine Line to eligible Households with a member who is a Disabled Person.

9.3.8.1.3 Costs associated with processing California LifeLine Service orders and answering calls from Subscribers regarding California LifeLine-related charges on their bill. These costs may be recovered (up to the administrative cost support cap) to the extent that a California LifeLine Service Provider can affirmatively demonstrate that such costs meet all the criteria in Section 9.2.1.

9.3.8.1.4 Incremental administrative expenses listed on Line 11 of the worksheet for the California LifeLine's Claim Form set forth in Rule 9.5.1 below.

9.3.9 For a second California LifeLine Line on a per-subscriber basis, each California LifeLine Service Provider shall claim up to the SSA, adjusted on its Subscribers' bills, and all eligible federal support available to a single California LifeLine Line, based on the daily weighted-average subscriber count provided by the California LifeLine Administrator.

9.3.10 The incremental costs incurred by a California LifeLine Service Provider to implement new reporting requirements ordered by the Commission.

9.3.11 The California LifeLine Fund may reimburse California LifeLine Service Providers for their actual costs to make changes to their Information Technology ("IT") systems associated with transitions in the California LifeLine Administrator. These costs consist of the incremental IT-related costs associated with changes to the data exchange between the provider and the California LifeLine Administrator.

9.4 California LifeLine Service Providers shall neither claim nor recover from the California LifeLine Fund any of the following costs and lost revenues:

9.4.1 Advertising, marketing, and outreach costs.

9.4.2 State 911 tax.

9.4.3 Costs associated with non-California LifeLine services and activities.

9.4.4 Costs caused by the failure of California LifeLine Subscriber to timely remit deferred payments of the California LifeLine Service Connection Charge, including costs for collecting on delinquent accounts and the time value of money. California LifeLine Service Providers may recoup such cost via late-payment fees charged to California LifeLine Subscribers who fail to timely remit deferred payments of the California LifeLine Service Connection/ Activation Charge, but only to the extent that such costs are not recovered by California LifeLine Service Providers from other sources, such as the bad-debt costs built into a California LifeLine Service Provider's Regular Rates.

9.4.5 Lost revenues caused by the failure of California LifeLine Subscribers to pay late-payment fees that the California LifeLine Service Provider assesses when California LifeLine Subscribers fail to timely remit deferred payments of the California LifeLine Service Connection/ Activation Charge.

9.4.6 Any costs or lost revenues associated with the provision of services that ETCs are required to provide under the federal Lifeline of Link-Up programs, but which California LifeLine Service Providers are not required to provide under California LifeLine.

9.4.7 Any costs or lost revenues that the California LifeLine Service Provider has recovered or will recover from other sources, including the Federal Lifeline program.

9.4.8 Any costs or lost revenues associated with the provision of non-LifeLine lines to California LifeLine Subscribers.

9.4.9 Bad debt expenses.

9.4.10 Administrative costs over and above those allowed under Section 9.3.9. California LifeLine Service Providers operating under rate-of-return regulation may seek recovery in their general rate cases any additional California LifeLine-related administrative costs not reimbursed through the process outlined in the sections referenced above.

9.4.11 Translation expenses (unless specified by a Commission Decision) are considered "Customer Notification" administrative expenses and are reimbursed as part of the administrative cost factor.

9.4.12. Measured Rate Service plan costs after May 31, 2021.

9.4.13. Administrative costs or lost revenues for Customers who were not deemed eligible by the Third-Party Administrator or who did not receive LifeLine Service.

9.5 Schedule, Content, and Format of the California LifeLine Report and Claim Form.

9.5.1 California LifeLine Service Providers shall report and claim their California LifeLine-related costs and lost revenues by filing the California LifeLine Program Report and Claim Form ("California LifeLine Claim Form") found at https://www.californialifeline.com.

9.5.1.1 Claims must be accompanied by any supporting workpapers required by this General Order.

9.5.2 California LifeLine Service Providers with 100 or more Subscribers shall file the California LifeLine Claim Form on a monthly basis no later than 60 days after the conclusion of the month during which service was provided.

9.5.3 Each California LifeLine Claim Form filed on a monthly basis shall be for a full month.

9.5.3.1 California LifeLine Service Providers that file California LifeLine Claim Forms on a monthly basis must also remit California LifeLine Surcharge revenues on a monthly basis.

9.5.4 California LifeLine Service Providers with less than 100 Subscribers may request permission from CD to file their California LifeLine Claim Forms on a biannual basis no later than six months after the conclusion of the month during which service was provide. The Commission and CD may specify and revise the conditions that Carriers must meet in order to file their California LifeLine Claim Forms on a biannual basis.

9.5.4.1 California LifeLine Service Providers filing California LifeLine Claim Forms on a biannual basis must show a monthly breakdown of their claims on the California LifeLine Claim Form.

9.5.4.2 California LifeLine Service Providers shall not be paid interest on claims that are submitted on a biannual basis.

9.5.4.3 California LifeLine Service Providers that report and remit California LifeLine Surcharges on a biannual basis must file California LifeLine Claim Forms on a biannual basis.

9.5.5 California LifeLine Service Providers with more than 100 Subscribers must submit their California LifeLine Claim Forms to CD no later than 60 days after the close of the monthly period for which a claim is made.

9.5.6 California LifeLine Service Providers with less than 100 Subscribers must submit their California LifeLine Claim Forms to CD no later than 180 days after the close of the monthly period for which a claim is made.

9.6 Accessibility of California LifeLine Claim Information to the Public.

9.6.1 Each California LifeLine Service Provider shall make available upon request in its main California office copies of all California LifeLine Report and Claim Statements filed with the Commission in compliance with these rules.

9.7 Review and Approval of Claims.

9.7.1 California LifeLine Service Providers shall submit California LifeLine claims to CD for review and determination of whether, and to what extent, California LifeLine claims should be paid. CD shall prepare payment letters for all approved claims.

9.7.1.1 Claims submitted without proper supporting workpapers will be rejected.

9.7.1.2 The California LifeLine Service Provider will be provided an explanation for the rejection of all or part of a claim.

9.7.1.3 Any uncontested portions of the claim will be authorized for payment. Should it later be determined that all or a part of the contested portion of a claim was valid, the valid portion of the claims shall be paid with interest at the Three-Month Commercial Paper Rate.

9.8 Payment of Claims.

9.8.1 Claims shall be paid in accordance with §270(c) of the Public Utilities Code and Section 9.7.1 of this General Order.

9.8.2 No payment of claims will be made for any claims received after the due date (see Sections 9.5.2 and 9.5.4).

9.8.3 No payment will be made to a California LifeLine Service Provider if there is not a sufficient amount in the California LifeLine Fund to pay approved claims.

9.8.4 No payment will be made to a California LifeLine Service Provider to pay approved claims if the appropriation in the State's Annual Budget Act for the California LifeLine Fund is exhausted.

9.8.5 No payment will be made to a California LifeLine Service Provider that has not accurately reported or failed to report its California LifeLine Surcharge revenues.

9.8.6 No payment will be made to a California LifeLine Service Provider until all California LifeLine Surcharge revenues due from the California LifeLine Service Provider are remitted in full, along with interest on the late remittance based on an annual rate of 10%.

9.8.7 If CD determines there is an overpayment of California LifeLine claims, CD shall take all appropriate actions, which may include but is not limited to (i) adjusting the overpayment against the current claim, (ii) offsetting the overpayment against future California Lifeline claims; (iii) making payment arrangements with the California LifeLine Service Provider, or (iv) any other reasonable arrangement with the California LifeLine Service Provider to ensure that the California LifeLine Service Provider properly reimburses the California LifeLine Fund for the overpayment of California LifeLine claims.

9.8.8 If a Subscriber has their/ his/ her service disconnected or if a California LifeLine Service Provider is informed by the Subscriber that the Subscriber is no longer participating in California LifeLine and the California LifeLine Service Provider fails to remove the Subscriber from California LifeLine and/or notify the California Lifeline Administrator, the Commission may reduce California LifeLine claim payments to the

California LifeLine Service Provider attributed to that Subscriber.

9.9 Interest on Claims.

9.9.1 The California LifeLine Fund shall pay interest to California LifeLine Service Providers on monthly California LifeLine claims that are both timely and legitimate if such claims are not paid 60 days after the due date for California LifeLine Service Providers to submit their claims. The interest paid to California LifeLine Service Providers shall be at the Three-Month Commercial Paper Rate.

9.9.1.1 Accrual of interest shall commence on the 60th day after the claim was due to be submitted and end on the date that payment is made to the California LifeLine Service Provider.

9.9.2 No interest shall be paid on (i) claims that are not submitted by the due date, (ii) claims that are incomplete or lack supporting documentation, (iii) claim payments that are withheld from a California LifeLine Service Provider due to a California LifeLine Service Provider's failure to timely report or remit California LifeLine Surcharge revenues, (iv) claim payments that are withheld due to overpayment of California LifeLine claim, or (v) on amounts as directed by any court of competent jurisdiction.

9.10 Time Limits for Submitting Initial Claims and True-up Claims.

9.10.1 California LifeLine Service Providers shall not be reimbursed for California LifeLine claims that are filed after the due date (See Sections 9.5.2 and 9.5.4).

9.10.2 California LifeLine Service Providers that submit a timely claim shall have one year from the deadline for submitting the initial claim to submit a true-up claim. True-up claims shall not be paid if they are submitted more than one year from the deadline for submitting initial claims.

9.10.3 Interest shall be paid to, or received from, California LifeLine Service Providers that submit timely true-up claims, from the date of the period being claimed. The rate of interest on true-up claims shall be based on the Three-Month Commercial Paper Rate.

9.10.3.1 Accrual of interest shall commence on the 60th day after the initial claim was due to be submitted and end on the date that the "true-up" payment is made to, or received from, the California LifeLine Service Provider.

9.11 Obligation to Support and Justify Claimed Costs and Lost Revenues.

9.11.1 California LifeLine Service Providers have the burden of supporting and justifying any costs and lost revenues that they seek to recover from the California LifeLine Fund.

9.11.2 CD may require California LifeLine Service Providers to submit workpapers, documents, and other information to support their California LifeLine claims. CD may promulgate standards regarding the format, content, and timing of workpapers in accordance with the procedures set forth in this General Order for promulgating administrative revisions to the California LifeLine Program.

9.11.3 California LifeLine Service Providers shall provide to the Commission or CD within 10 business days, upon request, documents, workpapers, records (to the extent that records exist) and other information regarding costs and lost revenues claimed by

the California LifeLine Service Provider. Failure to provide information requested by the Commission or CD is reasonable grounds to deny costs and lost revenues claimed by the California LifeLine Service Provider.

9.12 Carriers of Last Resort (COLRs).

9.12.1 COLRs may draw financial support from the CHCF-B for a second California LifeLine Line provided to low-income Subscriber in designated high-cost areas of the State. The amount that a COLR may draw from the CHCF-B for the second California LifeLine Line provided to a particular California LifeLine Subscriber shall be governed by the same terms and conditions that apply to the COLR's draws from the CHCF-B for the first California LifeLine Line provided to the Subscriber.

9.12.2 CD may require COLRs to submit workpapers and other information to support their CHCF-B claims for second LifeLine Lines. Failure to provide information requested by CD is reasonable grounds to deny recovery from the CHCF-B of amounts claimed by the COLR.

10. CALIFORNIA LIFELINE SURCHARGE RATE & SURCHARGE BILLING BASE

10.1 All California LifeLine Service Providers and Non-Traditional Providers shall assess, collect, and remit public purpose program Surcharge on revenues from end user Intrastate Telecommunications Services. For Carriers required to file tariffs, they must include the requirement to collect the state Surcharges in their tariffs.

10.2 The current California LifeLine Surcharge rate is set forth in the Combined California PUC Telephone Surcharge Transmittal Form ("Surcharge Transmittal Form") that is available on the Commission's website (http://www.cpuc.ca.gov/communications/).

10.3 The Commission shall set the California LifeLine Surcharge rate based on the forecast of revenues subject to the Surcharge and the funding requirements for the provision of LifeLine to Subscribers, including LifeLine marketing costs and program administrative costs.

10.3.1 Effective July 1, 2001, the California LifeLine Surcharge rate will be annually revised, if necessary, on July 1st of each year.

10.4 Schedule for Filing Revenues and Expense Forecasts.

10.4.1 Each Carrier shall annually submit to CD an estimate of the Carrier's projected gross revenues subject to the California LifeLine Surcharge for the following year.

10.4.2 Each California LifeLine Service Provider shall annually submit to CD a forecast of the California LifeLine Service Provider's California LifeLine claims for the following year.

10.4.3 On or before March 31 of each year, the ULTS-AC shall submit a proposed budget to CD. The proposed budget shall include estimated program expenditures and the Committee's projected expenses for the fiscal year (July 1 to June 30) that will commence thirteen (13) months thereafter.

10.4.4 CD's resolution adopting the revised California LifeLine Surcharge rate may also adopt an annual budget for the California LifeLine Fund.

10.5 Surcharge Revenue Base.

10.5.1 All end-user intrastate telecommunications services, whether tariffed or not, are subject to the California LifeLine Surcharge, except for the following services:

10.5.1.1 California LifeLine billings.

10.5.1.2 Charges to other certificated Carriers or Non-Traditional Providers for services that are to be resold.

10.5.1.3 Coin sent paid telephone calls (coin in box) and debit card calls.

10.5.1.4 Usage charges for coin-operated pay telephones.

10.5.1.5 Customer-specific contracts effective before September 15, 1994.

10.5.1.6 Directory advertising.

10.5.1.7 One-way radio paging.

11. REPORTING AND REMITTANCE OF SURCHARGES

11.1 Surcharge Transmittal Form.

11.1.1 Every carrier shall report and remit California LifeLine Surcharge revenues electronically at: https://www.cpuc.ca.gov/surcharges/

11.2 Surcharge Remittance Schedule and Procedures.

11.2.1 Carriers shall report and remit California LifeLine Surcharge revenues on a monthly basis in accordance with the instructions attached to the Surcharge Transmittal Form (STF). A sample copy of the STF and the instructions attached to the STF are available as one document on the Commission's website: http://www.cpuc.ca.gov/communications/.

11.2.2 Carriers may seek authority to submit the STF and remit California LifeLine Surcharge revenues on a biannual basis in accordance with the instructions attached to the STF. Entities that are granted such authority shall submit the STF and remit LifeLine Surcharge revenues in accordance with the instructions in the STF.

11.3 Method for Remitting and Reporting Surcharge Revenues.

11.3.1 Carriers shall report and remit their California LifeLine Surcharge revenues based on intrastate end-user billings less estimated uncollectible amounts. Carriers shall true-up their estimated California LifeLine Surcharge uncollectible amounts with their actual uncollectible amounts.

11.4 Interests on Late Surcharge Remittances.

11.4.1 Carriers that are late in remitting their California LifeLine Surcharge revenues shall pay interest on the late remittances equal to an interest rate of 10%. Interest shall accrue beginning on the date the remittance are due and ending on the date that the Surcharge revenues are remitted.

11.5 Warning Notices on Late Surcharge Remittances.

11.5.1 CD shall send two written notices to any California LifeLine Service Provider that is late in remitting California LifeLine Surcharge revenues. The notices shall warn the California LifeLine Service Provider that it will lose its Certificate of Public Convenience and Necessity if it fails to remit past-due Surcharge revenues and associated interest.

11.6 Reporting of Surcharge Over/ Under Collection or Remittance.

11.6.1 Each Carrier shall report any under or over collection of the California LifeLine Surcharge as soon as it becomes known to the Carrier. Each Carrier shall report any under or over remittance of California LifeLine Surcharge monies as soon as it becomes known to the Carrier.

11.7 Surcharge Workpapers.

11.7.1 CD may require Carriers to submit workpapers, documents, and other information to support their Surcharge remittances. CD may promulgate standards regarding the format, content, and timing of workpapers in accordance with the procedures set forth in this General Order for promulgating administrative revisions to the California LifeLine program.

11.7.2 Carriers shall provide to the Commission or CD, upon request, documents, workpapers, records (to the extent that records exist) and other information regarding their Surcharge remittances.

12. USE OF ELECTRONIC COMMUNICATIONS

12.1 The Commission's website may be used as a means to provide California LifeLine Service Providers, Carriers, and other parties with access to information regarding California LifeLine. Such information may include: this General Order, Commission decisions, resolutions, rulings, staff reports, letters, and other documents pertinent to California LifeLine.

12.2 California LifeLine Applicants and Subscribers also have the option of completing their application (program-based only) or renewing their continued eligibility via the California LifeLine interactive website, which can be found at the following address: http://www.californialifeline.com. Access requires a Personal Identification Number (PIN) found on the Application Form or Renewal Forms sent by the California LifeLine Administrator.

12.3 CD may provide notice to California LifeLine Service Providers, Carriers, and other parties of important matters regarding California LifeLine by e-mail that (i) briefly describe the matter being noticed, (ii) provide information on how to obtain more detailed information and/or documents regarding the matter being noticed from the Commission's website, and (iii) the phone number of a contact person from whom the information and/or documents can be obtained.

12.3.1 When appropriate, notice of matters pertaining to California LifeLine may be combined with notices pertaining to other public programs, such as the CHCF-B and DDTP.

13. AUDITS AND RECORDS

13.1 The Commission, Commission staff, and agents of the Commission may audit Carrier's remittance of California LifeLine Surcharge revenues and California LifeLine Service Providers' California LifeLine claims.

13.2 The scope of audits shall be limited to five calendar years following the calendar year in which California LifeLine surcharge revenues are remitted or California LifeLine claims submitted, except in cases where there appears to be malfeasance, such as gross waste, fraud, or abuse. Where there is an indication of malfeasance, the scope of the audit will depend on the law and circumstances existing at that time.

13.3 CD shall authorize the LifeLine Fund to promptly reimburse a California LifeLine Service Provider for the underpayment of California LifeLine claims found by a Commission audit. Any underpayment of California LifeLine claims found by an audit shall accrue interest based on the Three-Month Commercial Paper Rate.

13.3.1 If the audited entity believes that the amount of reimbursement is too little, the California LifeLine Service Provider may file an application with the Commission to seek additional reimbursement. Any additional reimbursement awarded by the Commission shall accrue interest based on the Three-Month Commercial Paper Rate.

13.4 California LifeLine Service Providers that promptly reimburse the California LifeLine Fund for an overpayment of California LifeLine claims found by a Commission audit shall pay interest on the amount of overpayment based on the Three-Month Commercial Paper Rate, unless there is malfeasance on the part of the such entity, in which case the rate of interest shall depend on the law and circumstances existing at the time the malfeasance is discovered.

13.5 CD shall authorize the California LifeLine Fund to promptly reimburse a Carrier for the over-remittance of California LifeLine Surcharge revenues found by a Commission audit. Any over-remittance of California LifeLine Surcharge revenues found by an audit shall accrue interest based on the Three-Month Commercial Paper Rate.

13.5.1 If the audited entity believes that the amount of reimbursement is too little, the Carrier may file an application with the Commission to seek additional reimbursement. Any additional reimbursement awarded by the Commission shall accrue interest based on the Three-Month Commercial Paper Rate.

13.6 Any under-remittance of California LifeLine Surcharge revenues found by a Commission audit shall accrue interest at a 10% annual rate, unless the under-remittance is due to the audited entity's malfeasance, in which case, the rate of interest shall depend on the law and circumstances existing at the time the malfeasance are discovered.

13.7 If a California LifeLine Service Provider does not promptly reimburse the California LifeLine Fund for an overpayment of California LifeLine claims or an under-remittance of California LifeLine surcharge revenues that is discovered by an audit, then the Commission's Consumer Services and Information Division shall prepare an order instituting investigation (OII) on whether the entity should be required to reimburse the California LifeLine Fund for some or all of the amount identified in the audit.

13.7.1 Any amount that a California LifeLine Service Provider is found to owe to the California LifeLine Fund as a result of the OII shall accrue interest based on the Three-Month Commercial Paper Rate, unless the amount owed is due to negligence or malfeasance, in which case the rate of interest shall depend on (i) the circumstances, and (ii) the law existing at the time the negligence or malfeasance is discovered.

13.8 Carriers shall retain all records related to California LifeLine surcharge remittances for a period of five calendar years following the year in which the Surcharges are remitted, unless all or part of such records must be kept for a longer period of time pursuant to requirements promulgated elsewhere (e.g., record-retention requirements set forth in the uniform system of accounts). The records that all carriers must retain for five calendar years include all records pertaining to intrastate billings and collections.

13.9 California LifeLine Service Providers shall retain all records related to a California LifeLine claim, including a true-up claim, for a period of five calendar years following the year in which the

California LifeLine claim or true up claim is submitted, unless all or part of such records must be kept for a longer period of time pursuant to requirements promulgated elsewhere (e.g., record-retention requirements set forth in the uniform system of accounts). The records that California LifeLine Service Providers (or the California LifeLine Administrator) must retain for five calendar years include (i) Application and Renewal Forms, (ii) California LifeLine Claim Forms and workpapers supporting the claim forms, and (iii) other documents and information on which the California LifeLine Claim Forms and workpapers are based.

14. REQUESTS FOR WAIVER OF CALIFORNIA LIFELINE ADMINISTRATIVE REQUIREMENTS

14.1 California LifeLine Service Providers may request a waiver of any administrative requirement set forth in this General Order, including the administrative requirements pertaining to (i) the schedule, format, and content of workpapers that California LifeLine Service Providers must submit to support their California LifeLine claims, and (ii) the time limit for submitting California LifeLine claims.

14.2 California LifeLine Service Providers may request a waiver by submitting a written waiver request to the Director of the CD. The request must provide a thorough explanation for why the waiver is necessary.

14.3 CD may attach conditions when granting a waiver request.

14.4 If a waiver involves the payment of money to or from a California LifeLine Service Provider, CD may determine what rate of interest, if any, should apply to the payment(s) subject to the waiver.

15. FUTURE REVISIONS TO THIS GENERAL ORDER

This General Order shall be continuously updated and revised to reflect the future needs of, and changes to, California LifeLine in accordance with the Commission's orders and resolutions.

General Order 153
Appendix A
Service Elements of California LifeLine

The California LifeLine Program's (California LifeLine) service elements reflect the changes in the communications marketplace. The updated service elements are designed to allow the California LifeLine service to be provisioned on different technologies. The service elements set forth in Appendix A-1 for wireline and Appendix A-2 for wireless are a minimum set of service elements that must be offered on a non-discriminatory basis by any service provider providing California LifeLine telephone service within California. A California LifeLine provider (Provider) is not prohibited from providing additional elements as part of its California LifeLine Service offering.

All plans, including bundled service, promotional service, and family plans, that meet or exceed the minimum service elements and are consistent with California LifeLine rules shall be eligible for the California LifeLine discounts. The California LifeLine Provider must apply the applicable support to the plan chosen by the California LifeLine Subscriber to the extent the plans meet or exceed the minimum service elements. Additionally, the California LifeLine Service elements do not alter any of the responsibilities adopted for Carriers of Last Resort (COLR) in Decision 12-12-038, including the requirement that telephone service must work inside the Residence.

General Order 153

Appendix A-1

Service Elements of California LifeLine Wireline

The California LifeLine Service elements for wireline telephone services are as follows:

1. The provider must offer Subscribers the ability to place and receive voice-grade calls over all distances utilizing the public switched telephone network or successor network.

a) The provider must, at a minimum, enable calls to be sent and received within a local exchange or over an equivalent or larger-sized local calling area.

b) The provider must allow equal access to all interexchange carriers within the local calling area in accordance with state and federal laws and regulations.

c) The provider must provide a voice-grade connection from the Subscriber's Residence to the public switched telephone network or successor network.

d) The provider must disclose to each Subscriber before activating service that they are entitled to a voice-grade connection and the conditions under which the Subscriber may terminate service without penalty if one cannot be provided.

e) If at any time a Subscriber fails to receive a voice-grade connection to the Residence and notifies the provider, the provider is required to (1) promptly restore the voice-grade connection, or if not possible (2) provide telephone service to that Subscriber using a different technology is offered by the provider and the Subscriber agrees. Nothing in these rules alters or modifies the service obligation of a COLR to ensure continuity and functionality of Basic Service within the Residence.

2. The provider must provide free, unlimited access to 911 emergency services, in compliance with current state and federal laws and regulations.

a) Each provider must provide its potential and existing Customers information regarding its 911 emergency services, in compliance with current state and federal laws and regulations.

3. The provider must provide for free, one directory listing per year and white page telephone directory, to Subscribers.

a) The provider shall include a Subscriber's listing for free in the local white pages telephone directory as a default unless the Subscriber affirmatively requests to have the number unpublished.

b) The provider shall include a Subscriber's listing for free in the directory listing as a default unless the Subscriber affirmatively requests to have the number unlisted.

c) The provider must provide Subscribers the option to receive a free printed paper copy of the white pages directory instead of an electronic copy covering the local community where the Subscriber resides if the provider publishes the white pages directory in both printed and electronic forms. Some service providers may provide electronic delivery *i.e.,* by CD-ROM or by on line access, of the free white pages

directory pursuant to Resolution T-17302. However, Subscribers may contact the provider to affirmatively elect to receive a printed paper copy instead of an electronic copy of the free white pages directory.

4. The provider must abide by the following additional billing provisions.

a) The provider must offer at least one California LifeLine plan that meets or exceed the California LifeLine Service elements, and is not bundled with any voice or data services. The provider may offer added features and/or enhanced service elements without additional charge(s).

b) The provider shall apply the applicable California LifeLine discount to the Subscriber's selected plan.

c) The provider must offer a flat rate option for unlimited outgoing calls that at a minimum mirrors the local exchange or an equivalent or larger sized local calling area in which the Subscriber resides.

d) The provider must offer California LifeLine discounted services on a non-discriminatory basis to any Customer residing within the service territory where the provider offers retail residential telephone services. The provider must only provide California LifeLine discounts to Subscribers that are approved by the California LifeLine Administrator.

e) The provider must offer an option with monthly rates and without contract or early termination penalties.

f) The provider may offer features and/or enhanced services in plans that could potentially be eligible for California LifeLine support, if the plans meet or exceed the California LifeLine minimum standards set by the CPUC. However, providers must not obligate Subscribers to also subscribe to service bundles that require subscription to data and/or video services as a condition of receiving the California LifeLine discounts.

5. The provider must offer access to California Relay Service pursuant to Public Utilities Code § 2881 for deaf or hearing-impaired persons or individuals with speech disabilities.

6. The provider must provide Subscribers free blocking for 900/976 information services and a one-time free billing adjustment for 900/976 information services related charges inadvertently or mistakenly incurred, or without authorization.

7. The provider must provide free access to operator services.

8. The provider must provide the ability to receive free, unlimited incoming calls.

9. The provider must provide access to local directory assistance (DA). Each provider shall offer to its Subscribers the same number of free DA calls that the provider provides to its retail Customers.

10. The provider shall offer and file a schedule of California LifeLine Service rates and charges.

11. The provider must provide free, unlimited access to 800 or 800-like toll-free services.

12. The provider must provide free, unlimited access to customer service for information about California LifeLine, service activation, service termination, service repair, and bill inquiries. Calls to the provider's customer service shall not count against the Subscriber's allotted voice minutes or number of calls.

13. The provider must provide free, unlimited access to customer service representatives fluent in the same language (English and non-English) in which California LifeLine was originally sold or marketed. Calls to the provider's customer service shall not count against the Subscriber's allotted voice minutes or number of calls.

14. The provider must provide free access to Toll-Blocking Service.

15. The provider must provide free access to Toll-Control Service, but only if (i) the California LifeLine Service Provider is capable of offering Toll-Control Service, and (ii) the California LifeLine Subscriber has no unpaid bill for toll service.

16. The provider must provide access to two California LifeLine discounted telephone lines to Deaf and Disabled Telecommunications Program Subscribers or teletypewriter users.

17. The provider must provide free access to the California Relay Service via the 711 abbreviated dialing code.

General Order 153
Appendix A-2
Service Elements of California LifeLine Wireless

The California LifeLine service elements for wireless telephone services are as follows:

1. The provider must offer Subscribers the ability to place and receive voice-grade calls over all distances utilizing the public switched telephone network or successor network.

a) The provider must, at a minimum, enable calls to be sent and received within a local exchange or over an equivalent or larger-sized local calling area.

b) The provider must provide a voice-grade connection to the public switched telephone network or successor network.

c) The provider must disclose to each Subscriber before activating service that they are entitled to a voice-grade connection and the conditions under which the Subscriber may terminate service without penalty if one cannot be provided.

d) If at any time, a Subscriber fails to receive a voice-grade connection and notifies the provider, the provider is required to (1) promptly restore the voice-grade connection, or if not possible (2) provide telephone service to that Subscriber using a different technology if offered by the provider and if the Subscriber agrees; or (3) allow the Subscriber to discontinue service within 14 days of service activation without incurring early termination fees, if applicable. The provider shall also refund in full any applicable Service Connection/ Activation Charges and deposits if a Subscriber terminates service within three days of service activation, excluding national holidays. These rules also do not preclude the Subscriber from terminating service for any reason within 14 days of service activation without incurring early termination fees. Nothing in these rules alters or modifies the service obligation of a COLR to ensure continuity and functionality of Basic Service within the Residence.

2. The provider must provide free, unlimited access to 911 emergency services, in compliance with current state and federal laws and regulations.

a) Each provider must provide its potential and existing customers information regarding its 911 emergency services, in compliance with current state and federal laws and regulations.

3. The provider shall offer a choice of the following bundled voice and broadband California LifeLine plans with unlimited voice minutes and domestic text messaging:

a) Wireless Tier 1, Basic California LifeLine plan: at least 6~~4.5~~ GB of broadband data per month, that meets or exceeds the Federal Communications Commission minimum service standard for speed;
b) Wireless Tier 2 Standard or Tier 3 Family California LifeLine plan: at least 15~~6~~ GB of broadband data per month, that meets or exceeds the Federal Communications Commission minimum service standard for speed; or
c) Wireless Tier 4, California LifeLine plan: at least 25 GB of broadband data per month and 10 GB hotspot, that meets or exceeds the Federal Communications Commission minimum service standard for speed; or
d) Wireless Tier 5, California LifeLine plan: at least 40 GB of broadband data per month and 20 GB, that meets or exceeds the Federal Communications Commission minimum service standard for speed;

4. The provider may not assess a conversion charge or claim reimbursement when a Subscriber chooses to switch from one LifeLine plan to a different LifeLine plan offered by the same provider.

5. The provider must abide by the following additional billing provisions.

a) The provider must offer at least one California LifeLine plan that meets or exceeds the California LifeLine service elements. The provider may offer added features and/or enhanced service elements without additional charge(s).

b) The provider shall apply the applicable California LifeLine discount to the Subscriber's selected plan.

c) The California LifeLine eligible plans may be offered on a pre-paid or post-paid basis.

d) The provider must offer California LifeLine discounted services on a non-discriminatory basis to any Customer residing within the service territory where the provider offers retail wireless telephone services. The provider must only provide California LifeLine discounts to Subscribers that are approved by the California LifeLine Administrator.

e) The provider shall not require contracts lasting more than two years for Subscribers; and the terms must be comparable to the provider's retail customers for the same service and/or device, except as needed to comply with California LifeLine rules.

f) The provider may add features and/or enhanced services as part of its California LifeLine offerings if they meet or exceed the California LifeLine minimum standards set by the CPUC.

g) The provider must allow Subscribers to purchase additional broadband data.

h) The provider shall not assess a fee to Subscribers for paying their bills in person

by cash, check or other form of payment.

i) The provider shall not assess a restocking fee to Subscribers for devices returned

within three days of service activation.

6. All handsets shall be available to Subscribers on the same basis as the provider's retail Customers.

7. The provider must offer access to California Relay Service pursuant to Public Utilities Code § 2881 for deaf or hearing-impaired persons or individuals with speech disabilities.

8. The provider must provide Subscribers free blocking for 900/976 information services and a one-time free billing adjustment for 900/976 information services related charges inadvertently or mistakenly incurred, or without authorization.

9. The provider must provide access to operator services commensurate to its retail Customers. The provider must disclose any charges or fees associated with using operator services.

10. The provider shall prominently disclose and disseminate terms and conditions, including their rates and fees, the charges, terms, and conditions associated with purchasing additional broadband data, 911 emergency services location accuracy and reliability standards as required in Basic Service element number I.2.(d) in Appendix A of Decision 12-12-038, potential service coverage and service quality issues, safety related considerations when handsets are removed from the home and when there is poor mobile reception, any charges associated with calling 800 or 800-like toll-free services, and the device's condition if refurbished, the device's applicability on other provider's wireless networks if the Subscriber switches providers, and power back-up requirements for the system that supports California LifeLine wireless service including limitations due to power for equipment on towers or other facilities, e.g. that wireless telephone service may not work if the tower the wireless handset is trying to reach loses commercial or backup power. Additional disclosures must include the entitlement to a voice grade connection, the conditions under which the Subscriber may terminate service without penalty, the charges or fees associated with using operator services, and the impact of terminating wireless service for contracts lasting more than one year, *e.g.,* the Subscriber will be subject to the retail rates charged by the service provider and any applicable early termination fees.

11. The provider must provide access to local directory assistance.

12. The provider shall offer and file a schedule of California LifeLine service rates and charges.

13. The provider must provide access to 800 or 800-like toll-free services and provide a full disclosure to the Subscriber concerning how charges for 800 or 800-like toll-free services would apply if the Subscriber does not subscribe to unlimited voice service.

14. The provider must provide free, unlimited access to customer service for information about California LifeLine, service activation, service termination, service repair, and bill

inquiries. Calls to the provider's customer service shall not count against the Subscriber's allotted voice minutes or number of calls.

15. The provider must provide free, unlimited access to customer service representatives fluent in the same language (English and non-English) in which California LifeLine was originally sold or marketed. Calls to the provider's customer service shall not count against the Subscriber's allotted voice minutes or number of calls.

16. The provider must provide free access to Toll-Blocking Service.

17. The provider must provide free access to Toll-Control Service, but only if (i) the California LifeLine Service Provider is capable of offering Toll-Control Service, and (ii) the California LifeLine Subscriber has no unpaid bill for toll service.

18. The provider must provide access to two California LifeLine discounted telephone lines to Deaf and Disabled Telecommunications Program Subscribers or teletypewriter users.

19. The provider must provide free access to the California Relay Service via the 711 abbreviated dialing code.

20. The provider must provision access to public safety N11s (211, 311, 511, 711, 811 and 911). The provider must provide free, unlimited access to public safety N11s (211, 311, 511, 711, and 811) for California LifeLine eligible plans.

21. The provider must provide free, unlimited access to 611 for service provider billing and repair services.

22. The provider must provide access to 411, and disclose charges and conditions associated with 411 access and information.

General Order 153
Appendix B
California LifeLine Program Participation Rules, Requirements and Service Elements
for Fixed-Voice over Internet Protocol (VoIP) Providers
without a Certificate of Public Necessity and Convenience (CPCN) (non-certificated)

SECTION 1: REGISTRATION PROCESS

To participate in California LifeLine, a non-certificated, fixed-VoIP service provider shall:

A. Complete and submit a VoIP Provider Registration Form.

B. Obtain a Utility Contact Information System (UCS). Identification (ID) Number associated with Digital Voice Service (DVS) from the Communications Division's (CD) Licensing Team after the VoIP Provider Registration Form has been submitted and approved by CD.

C. Pay required registration fee to receive a DVS ID – amount shall be equal to the amount that the CPUC charges for a Competitive Local Carrier's (CLC) registration fee.

SECTION 2: TIER 3 ADVICE LETTER AUTHORIZATION PROCESS

A fixed-VoIP service provider shall file a Tier 3 Advice Letter with CD and demonstrate that it meets all California LifeLine entry pre-requisites.

A. California LifeLine entry pre-requisites are:

i. Demonstrate that the company has an active registration with the CPUC;

ii. Demonstrate that the company is current in collecting and remitting public purpose program Surcharges and CPUC user fees;

iii. Demonstrate that the company's proposed services comply with the California LifeLine fixed-VoIP service elements;

iv. Commit to provide California LifeLine fixed-VoIP services throughout the designated service area(s) (identify service area – map, zip codes list, geographic area list);

v. Demonstrate the company's financial, technical capabilities and managerial competence;

vi. Demonstrate the company's ability to remain functional at all times;

vii. Demonstrate that the company meets all public interest standards;

viii. Provide terms and conditions of the company's proposed services;

ix. Provide disclosures for the company's proposed services;

x. Provide a schedule of rates and charges for the company's proposed services;

xi. Describe how the company will interface with Customers before, during, and after enrollment;

xii. Describe how the company will integrate its intake and provisioning process in compliance with the California LifeLine Administrator's enrollment process;

xiii. Comply with the CPUC's Performance Bond requirement; and

xiv. Complete and submit an affidavit.

SECTION 3: INITIAL AND ONGOING CALIFORNIA LIFELINE PROGRAM REQUIREMENTS

I. ADMINISTRATIVE OBLIGATIONS

After CD approves the fixed-VoIP service provider's Tier 3 Advice Letter, the provider shall:

A. Submit and obtain approval of the company's provisioning process to the Administrator and CD.

B. Submit marketing materials for review and approval by CD.

C. Comply with the California LifeLine Program's eligibility rules, enrollment process, including, but not limited to validation checks, transmission requirements, and efforts to prevent waste, fraud, and abuse on an ongoing basis.

D. File a Tier 2 Advice Letter to make changes to the company's approved services, plans, or terms and conditions.

II. CALIFORNIA LIFELINE FIXED-VOIP SERVICE ELEMENTS

The California LifeLine service elements for fixed-VoIP telephone services are as follows:

1. Provider must offer Subscribers the ability to place and receive voice-grade calls over all distances utilizing the public switched telephone network or successor network.

    a) Provider must, at a minimum, enable calls to be sent and received within a local exchange or over an equivalent or larger-sized local calling area.

    b) Provider must provide a voice-grade connection from the Subscriber's Residence to the public switched telephone network or successor network.

    c) Provider must disclose to each Subscriber before activating service that the Subscriber is entitled to a voice-grade connection and the conditions under which the Subscriber may terminate service without penalty if a voice-grade connection cannot be provided.

    d) If, at any time, a Subscriber fails to receive a voice-grade connection to the Residence and notifies the provider, the provider is required to (1) promptly restore the voice-grade connection, or if not possible (2) provide telephone service to that Subscriber using a different technology if offered by the provider and if the Subscriber agrees. Nothing in these rules alters or modifies the service obligation of a Carrier of Last Resort (COLR) to ensure continuity and functionality of Basic Service within the Residence.

2. Provider must provide free, unlimited access to 911 emergency services, in compliance with current state and federal laws and regulations.

a) Provider must disclose to potential and existing Subscribers information regarding 911/E911 emergency services, in compliance with current state and federal laws and regulations.

3. Provider must provide to Subscribers for free, one directory listing per year and white pages telephone directory.

   a) Provider shall include a Subscriber's listing for free in the local white pages telephone directory as a default unless the Subscriber affirmatively requests to have the number unpublished.

   b) Provider shall include a Subscriber's listing for free in the directory listing as a default unless the Subscriber affirmatively requests to have the number unlisted.

   c) Provider must provide Subscribers the option to receive a free printed paper copy of the white pages directory instead of an electronic copy covering the local community where the Subscriber resides if the provider publishes the white pages directory in both printed and electronic forms. Some service providers may provide electronic delivery i.e., by CD-ROM or by on line access, of the free white pages directory pursuant to Resolution T-17302. However, Subscribers may contact the provider to affirmatively elect to receive a printed paper copy instead of an electronic copy of the free white pages directory.

4. Provider must abide by the following additional billing provisions.

   a) Provider must offer at least one California LifeLine plan that meets or exceeds the California LifeLine service elements, and is not bundled with any video or data services. Provider may offer added features and/or enhanced service elements without additional charge(s).

   b) Provider shall apply the applicable California LifeLine discount to the Subscriber's selected plan.

   c) Provider must offer California LifeLine discounted services on a non-discriminatory basis to any Customer residing within the service territory where the provider offers retail residential telephone services. Provider must only provide California LifeLine discounts to Customers that are approved by the California LifeLine Administrator.

   d) Provider must offer a service plan option with monthly rates and without contract or early termination penalties.

   e) Provider may offer features and/or enhanced services that exceed minimum service elements as part of the California LifeLine offering, but must not require Subscribers to subscribe to these additional features/services in order to receive the California LifeLine discounts.

5. Provider must offer access to California Relay Service pursuant to Public Utilities Code § 2881 for deaf or hearing-impaired persons or individuals with speech disabilities.

6. Provider must provide Subscribers free blocking for 900/976 information services and a one-time free billing adjustment for 900/976 information services related charges that are inadvertently or mistakenly incurred, or without authorization.

7. Provider must provide free access to operator services.

8. Provider must provide the ability to receive free, unlimited incoming calls.

9. Provider shall prominently disclose and disseminate terms and conditions of service, including service rates, charges, and fees associated with purchasing additional minutes, 911 emergency services location accuracy and reliability standards as required in basic service element number I.2.(d) in Appendix A of Decision 12-12-038, service coverage and service quality issues, back-up power, and safety related considerations caused by outages, latency, and jitter. Disclosures must clearly state that Subscribers are entitled to a voice grade connection, identify conditions under which Subscribers may terminate service without incurring an early termination fee or penalty, charges or fees associated with using operator services, and describe the impact of terminating fixed-VoIP service for contracts that exceed one year, *e.g.,* the Subscriber will be subject to the retail rates charged by the service provider and any applicable early termination fees.

10. Provider must provide access to local directory assistance (DA). Each provider shall offer to its Subscribers the same number of free DA calls that the provider provides to its retail Customers.

11. Provider shall file a schedule of rates and charges for its California LifeLine Services.

12. Provider shall make available to Subscribers its California LifeLine Service rates and charges.

13. Provider must provide free, unlimited access to 800 or 800-like toll-free services.

14. Provider must provide free, unlimited access to customer service for information about California LifeLine, service activation, service termination, service repair, and bill inquiries. Calls to the provider's customer service shall not count against the Subscriber's allotted voice minutes or number of calls.

15. Provider must provide free, unlimited access to customer service representatives fluent in the same language (English and non-English) that the California LifeLine was originally sold or marketed. Calls to the provider's customer service shall not count against the Subscriber's allotted voice minutes or number of calls.

16. Provider must provide free access to Toll-Blocking Service.

17. Provider must provide free access to Toll-Control Service, but only if (i) the provider is capable of offering Toll-Control Service, and (ii) the California LifeLine Subscriber has no unpaid bill for toll service.

18. Provider must provide access to two California LifeLine discounted telephone lines to Deaf and Disabled Telecommunications Program subscribers or teletypewriter users.

19. Provider must provide free access to the California Relay Service via the 711 abbreviated dialing code.

III. CALIFORNIA LIFELINE PROGRAM RULES AND REQUIREMENTS

Fixed-VoIP service providers authorized to participate in California LifeLine must comply with all CPUC decisions, orders, and resolutions associated with the California LifeLine Program, including, but not limited to the following:

- General Order 153 (http://docs.cpuc.ca.gov/WORD_PDF/GENERAL_ORDER/154648.pdf)

  GO 153 sets forth rules and requirements of the California LifeLine program. Rules include filing schedules of rates and charges; written and oral communications with Residential Customers; in-language communications; residential customers' and service providers' eligibility to participate in the program; transmission and sharing of information for purposes such as eligibility determination, de-enrollment, and reimbursement of claims; California LifeLine Service elements, rates, and charges; reimbursement methodology and amounts; claims-related requirements and process; surcharge-related requirements and process; audits; and record retention.

- January 2014 CPUC California LifeLine Decision, D. 1401036 (http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M086/K541/86541587.PDF)

- Additional rules that the CPUC adopts for fixed-VoIP service providers after the completion of this phase of the California LifeLine proceeding (R.11-03-013)

IV. OTHER APPLICABLE CPUC RULES AND REQUIREMENTS

Fixed-VoIP service providers must comply with the following CPUC rules and requirements:

<u>OTHER APPLICABLE GENERAL ORDERS</u>

- General Order 66-D (Procedures for obtaining information and records in the possession of the Commission and its employees and Commission policy orders thereon) (https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M302/K016/302016447.pdf)

- General Order 95 (Rules for Overhead Electric Line Construction) (https://cs.cpuc.ca.gov/otcs/cs.exe?func=ll&objaction=overview&objid=159434210)

- General Order 96-B (Rules for filing and publishing tariffs for gas, electric, telephone, telegraph, water and heat utilities) (http://docs.cpuc.ca.gov/PUBLISHED/GENERAL_ORDER/164747.htm)

- General Order 107-B (Privacy of telephone communications) (http://docs.cpuc.ca.gov/PUBLISHED/Graphics/567.PDF)

- General Order 133-D, or its successor (Rules Governing Telecommunications Services Service Quality) (https://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/Proceedings/Proceedings_Rules/GO133D.pdf)

- General Order 128 (Rules for Construction of Underground Electric Supply and Communication Systems) (http://docs.cpuc.ca.gov/PUBLISHED/GENERAL_ORDER/52591.htm)

- General Order 168 (Consumer Bill of Rights Governing Telecommunications Services. Market Rules to Empower Telecommunications Consumers and to Prevent Fraud.) (http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M089/K440/89440106.PDF)

- All CPUC decisions and resolutions that put in place General Orders 66-D, 96-B, 107-B, 133-D, and 168.

RESOLUTION PROCESS FOR VOIP SERVICE CONSUMER RELATED COMPLAINTS, ISSUES, AND APPEALS

A. Fixed-VoIP service providers shall employ and make available to Subscribers the following CPUC complaint resolution processes:

i. Consumer Affairs Branch's (CAB) informal complaint process (http://www.cpuc.ca.gov/cab/);

ii. Administrative Law Judge Division's expedited complaint process;

iii. Formal complaint process under Article 4 of the Commission's Rules of Practice and Procedure (https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M209/K618/209618807.PDF); and

iv. Safety and Enforcement Division's (SED) investigation process via an Order Instituting Investigation (OII).

B. Types of Customer complaints may include, but not limited to the following:

i. Application of the California LifeLine discounts;

ii. California LifeLine Service rates and charges;

iii. California LifeLine Service terms and conditions;

iv. California LifeLine Service elements;

v. Compliance with California LifeLine Program rules and other applicable rules;

vi. Application of California LifeLine Program eligibility and renewal rules;

vii. Compliance with service quality standards;

viii. Violations of consumers' bill of rights delineated in GO 168; and

ix. Disclosures.

C. Recourse and remedy must be consistent with applicable state and federal laws and regulations.

DATA REQUESTS AND REPORTS

A. Fixed-VoIP service providers must respond to CD's data requests within 10 business days of the request. Fixed-VoIP service providers may request an extension of time from CD and the request shall be no more than 30 days from the original due date. CD may request the following types of information from fixed-VoIP service providers:

TYPE OF INFORMATION	**PURPOSE**
Phone bills and administrative expenses	Substantiate claims for reimbursement
Written and verbal communications with Customers	Enforcement + Waste, Fraud, and Abuse Prevention
Business operations processes and methods	Enforcement + Waste, Fraud, and Abuse Prevention
All aspects of enrollment process and methods	Enforcement + Waste, Fraud, and Abuse Prevention
California LifeLine related complaints and trouble tickets	Enforcement + Waste, Fraud, and Abuse Prevention
Privacy compliance with CPNI rules and breaches	Enforcement
California LifeLine related usage/plan information	Substantiate claims for reimbursement + Potential program enhancement

B. Fixed-VoIP service providers must prepare and submit to CD the following types of reports, which vary in frequency:

x. Schedule of Surcharge Remittance (monthly)

xi. Customer Trouble Tickets Report for both retail and California LifeLine Services (quarterly)

xii. Schedule of Rates and Charges (annual + advice letters)

xiii. Affiliate Transactions Report (annual)

xiv.Operational and Financial Report (annual)

xv. Residential Service Geographical Survey (annual)

WITHDRAW/TRANSFER/EXIT REQUIREMENTS

WITHDRAWAL AND EXIT REQUIREMENTS – Fixed-VoIP provider must comply with the following requirements to withdraw or discontinue providing some or all California LifeLine fixed-VoIP services to its Subscribers and/or to exit from the California LifeLine Program:

A. Definition of "Withdrawal" or "Withdrawing" – discontinue providing California LifeLine Service to its Subscribers, new or existing, in a portion or all of its service areas.

B. Definition of "Exit" or "Exiting" – ceasing or terminating participation in the California LifeLine Program and also relinquishing authority as a California LifeLine provider.

C. Provider must file a Tier 2 advice letter with CD and obtain approval prior to Withdrawing any of its California LifeLine Services and/or Exiting from the California LifeLine Program.

D. Provider must provide at least two notices to its California LifeLine Subscribers prior to Withdrawing its service and/or Exiting from the California LifeLine Program:

1. First notice must be provided to Subscribers on the same day that Tier 2 advice letter is filed with CD.
2. Second notice must be provided to Subscribers at least 30 days from the date of service Withdrawal and/or Exit from the California LifeLine Program.

E. Notice to Subscribers must contain the following information:

1. Identification of the California LifeLine fixed-VoIP service provider;
2. Date(s) of service Withdrawal and/or program Exit;
3. Statement that Subscribers have a right to select another California LifeLine provider; and
4. A toll-free customer service telephone number for Subscribers to ask questions, obtain information or submit complaints about the Withdrawal and/or Exit. (This provision may end on the date of service withdrawal and/or exit occurs).

F. Fixed-VoIP provider must submit to CaLLmarketing@cpuc.ca.gov for review and approval of its proposed Customer notices and other materials prior to

disseminating or using them to educate and inform its California LifeLine Subscribers about its Withdrawal and/or Exit from the California LifeLine Program.

TRANSFER REQUIREMENTS – Fixed-VoIP service provider must comply with the following transfer requirements:

A. Definition of "Transfer" - a Transfer of assets (including the entire Customer base or an entire class of Customers) and/or Transfer of control.

B. The transferee must file a Tier 2 advice letter with CD and obtain approval prior to transferring assets and/or control.

C. The transferee must be an approved California LifeLine provider. If the transferee is not an approved California LifeLine provider, the transferee must submit a request and obtain California LifeLine provider authorization from CD and/or the Commission, as applicable, before transferee may provide service to subscribers.

D. The transferor must provide at least two notices to its California LifeLine Subscribers before the transfer date:

1. First notice must be provided to Subscribers on the same day that Tier 2 advice letter is filed with CD. Transferor may use the following sample notice:

   "The proposed Transfer is being submitted by Advice Letter [insert advice letter number] for review and possible approval by the California Public Utilities Commission. The advice letter was filed with the Communications Division [insert date of filing]. Anyone may object to the advice letter by sending a written protest to: Advice Letter Coordinator, Communications Division, 505 Van Ness Ave., 3rd Floor, San Francisco, CA 94102.

   "The protest must state specifically the grounds on which it is based. The protest must be received by the Advice Letter Coordinator no later than 20 days after the date that the advice letter was filed. On or before the day that the protest is sent to the Advice Letter Coordinator, the protestant must send a copy of the protest to [insert name and address of person whom the Utility has designated in the advice letter to receive protests]. To obtain information about the Commission's procedures for advice letters and protests, go to www.cpuc.ca.gov."

   First notice must contain the following information:

   a. Procedure for filing protests;

   b. Identification of the transferee;

   c. Identification of the transferor;

   d. Description of any changes to rates, charges, terms, or conditions of service;

e. Statement that Subscribers have a right to select another California LifeLine provider;

f. A toll-free customer service telephone number for Subscribers to ask questions, obtain information or submit complaints about the transfer; and

g. Date the transferee will begin providing California LifeLine Service.

2. Second notice must be provided to Subscribers on the date that transfer occurs.

Second notice must contain the following information:

a. Identification of the transferee;
b. Identification of the transferor;
c. Description of any changes to rates, charges, terms, or conditions of service;
d. Statement that Subscribers have a right to select another California LifeLine provider;
e. A toll-free customer service telephone number for Subscribers to ask questions, obtain information or submit complaints about the transfer;
f. Date the transferee will begin providing California LifeLine; and
g. Action items for California LifeLine Subscribers must perform in order to begin receiving service by the transferee.

E. The transferee and transferor must submit to CaLLmarketing@cpuc.ca.gov for review and approval of its proposed Customer notices and other materials prior to disseminating or using them to educate and inform its California LifeLine Subscribers about the transfer.

IV. FIXED-VOIP TELEPHONE BUNDLED WITH BROADBAND

Fixed wireline VoIP service that meets the service criteria above, including connecting to the Public Switched Telephone Network and meeting E-911 obligations, and is bundled with fixed broadband service, is eligible to receive the SSA as set forth in Appendix C.

General Order 153
Appendix C

Specific Support Amounts Available for California LifeLine Service Providers

Pursuant to GO 153, Section 9.2.1, California LifeLine Service Providers may recover the Specific Support Amount (SSA) and other amounts expressly approved by the Commission as set forth below in this Appendix.

Part A; LifeLine Customers That Qualify Under Federal Eligibility Criteria

1. Wireline California LifeLine Service Providers offering the Service Elements of California LifeLine Wireline as set forth in Appendix A-1 on a stand-alone basis or with a broadband service that does not meet federal Lifeline minimum standards may recover up to the maximum SSA.

In addition, between December 1, 2020 and November 30, 2021 a wireline California LifeLine Service Provider may recover from the California Lifeline Fund up to $2.00 per Subscriber in reduced monthly federal Lifeline support for LifeLine Subscribers who do not subscribe to qualifying broadband plans that meet the federal Lifeline minimum standards. Effective December 1, 2021, a wireline California LifeLine Service Provider may recover from the California Lifeline Fund: (i) $2.00 per month if federal Lifeline support remains $5.25 (or is reduced by less than $2.00) for service plans that do not meet federal Lifeline broadband standards, (ii) $5.25 if federal Lifeline support is eliminated for service plans that do not meet federal Lifeline broadband standards, or (iii) if federal Lifeline support is reduced by more than $2.00 for service plans that do not meet federal Lifeline broadband standards, the difference between $5.25 and the amount of federal Lifeline support.

2. Wireline California LifeLine Service Providers offering the Service Elements of California LifeLine Wireline as set forth in Appendix A-1 with a broadband service that meets federal Lifeline minimum standards may recover up to the maximum SSA.

3. Wireless LifeLine Providers offering Plans, as set forth in Appendix A-2 (and which thereby meet federal Lifeline minimum standards), may recover the corresponding SSA:

Plan	California SSA	Copay
Tier 1 - Basic Plan*	$132.0085	$0.00
Tier 2 - Standard Plan*	$149.0085	$0.00
Tier 3 - Family Plan (Line 1)**	$194.0085	$0.00
Tier 4 - 25 GB + 10 GB hotspot	$20.00	$5.00
Tier 5 – 40 GB + 20 GB hotspot	$20.00	$10.00

~~** Basic Plans and Standard Plans that require co-payments or prepayments are subject to Tier 2 advice letter review for affordability and compliance with California LifeLine rules.*~~

*** *Family Plan additional lines do not receive a California LifeLine subsidy. Family Plan Line 1 terms and conditions are subject to Tier 2 advice letter review. A Family Plan is an addition to the Standard Plan. If a participant fails to make Family Plan co-payments, Family Plan Line 1 reverts to the Standard Plan.*

4. Fixed VoIP LifeLine Providers offering voice service as set forth in Appendix B, whether as a stand-alone service or with broadband service, may recover the portion of the SSA necessary to reimburse the provider for discounts provided to its California LifeLine Subscribers.

Part B: LifeLine Customers That Qualify Under California Eligibility Criteria (and not Federal Eligibility Criteria)

In addition to the SSA and other amount expressly approved by the Commission set forth in Part A above, for California-Only Subscribers (as defined in GO 153, Section 5.1.5.4), California LifeLine Service Providers may collect the lost federal support, as applicable, from the California LifeLine Fund equal to the amount that California-Only Subscribers would have received if they had met federal eligibility requirements under 47 C.F.R. Sections 54.409 and 54.410.

General Order 153
Appendix D

Transitional Rules for Measured Rate Service

This Appendix reflects the transitional rules applicable to subscribers to measured rate LifeLine service and carriers who provide measured rate LifeLine service. After each of the dates in this Appendix have expired, measured rate service will not be supported by LifeLine and no support will be provided for LifeLine discounts on measured rate service.

1. Phase-Out of Measured Rate LifeLine Service.

a. California LifeLine Service Providers who have customers subscribing to LifeLine Measured-Rate Service plans as of November 30, 2020 shall do the following:

(i) Starting December 1, 2020, begin transitioning California LifeLine Measured-Rate subscribers to California LifeLine Flat-Rate Service without disruptions in service or conversions fees.

(ii) Notify California LifeLine Measured-Rate subscriber of their transition to California LifeLine Flat-Rate Service between 30-60 days before the subscribers' transition.

(iii) Notify California LifeLine subscribers receiving the $2.00 per month transitional bill credit between 30-60 days prior to the expiration of the to the bill credit.

b. As of December 1, 2020, Measured Rate LifeLine Service shall only be available to customers who were enrolled prior to December 1, 2020.

c. As of June 1, 2021, Measured-Rate LifeLine service will be eliminated, and no support will be available for LifeLine discounts on Measured-Rate Service.

d. No conversion charge shall be assessed on a subscriber or claimed from the California LifeLine fund for subscribers that transition from Measured-Rate Service to Flat-Rate Service on or after December 1, 2020.

2. Transitional Customer Credits.

a. California LifeLine Service Providers shall provide each subscriber who has transitioned from California LifeLine Measured-Rate Service to California LifeLine Flat-Rate Service a $2.00 per month transitional bill credit.

(i) The subscriber shall be eligible for the $2.00 transitional bill credit if they transfer from California LifeLine Measured-Rate Service to California LifeLine Flat-Rate Service on or after December 1, 2020.

(ii) The subscriber will receive the $2.00 per month bill credit for the first six months after their transition to Flat-Rate Service.

(iii) The $2.00 transitional bill credit shall not impact the Specific Support Amounts calculation and shall not be included in the lost revenue calculation.

3. Claims.

a. From December 1, 2020 through May 31, 2021, LifeLine support will only be available to support measured rate LifeLine subscribers who subscribed to LifeLine measured rate service prior to December 1, 2020.

b. Starting on December 1, 2020, providers of Measured-Rate LifeLine service may claim $2.00 per customer per month for each Measured-Rate LifeLine subscriber who has transitioned to Flat-Rate LifeLine service for a period of six months following the effective date of the transition.

c. Starting on December 1, 2020 and continuing until the date approved in each carrier's Tier 2 advice letter reflecting the transition from Measured-Rate Service to Flat-Rate Service, carriers may claim LifeLine support for each remaining Measured-Rate LifeLine customer at the same level of support that would be available for subscribers to Flat-Rate LifeLine service.

d. Effective June 1, 2021, no LifeLine support will be provided to support measured rate service.

(END OF ATTACHMENT A)

END APPENDIX B