

APPENDIX A

General Order 153 Adopted by the Commission in Decision 84-11-028

GENERAL ORDER 153

**Public Utilities Commission of the
State of California**

PROCEDURE FOR ADMINISTRATION OF THE MOORE UNIVERSAL TELEPHONE SERVICE ACT.

**Approved November 7, 1984. Effective November 7, 1984.*
Decision 84-11-028, OII 83-11-05.**

* (Corrected March 6, 1985; Decision 85-03-004.)

GENERAL ORDER

1. GENERAL

1.1 Intent

1.1.1 *Purpose*—The purpose of these rules is to implement the Moore Universal Telephone Service Act which became law in September 1983. The act is intended to provide a class of local telephone service designed to meet minimum residential communication needs of customers who are eligible under this General Order through subsidized telephone service funded by a limited tax on suppliers of intrastate interLATA telecommunications service.

1.1.2 *Revisions of Scope*—These rules may be revised on the basis of experience gained in their application and as changes in the art of telephony may require.

1.2 *Applicability*—Applicable to all telecommunication utilities in California and to residence customers eligible for Universal Lifeline Telephone Service furnished pursuant to the Moore Universal Telephone Service Act.

1.3 Definitions

1.3.1 "Act" means the Moore Universal Telephone Service Act, AB 1348, Ch. 1143, Stats. 1983.

1.3.2 "Board" means the State Board of Equalization.¹

1.3.3 "Commission" means the California Public Utilities Commission.¹

1.3.4 "Deposit"—Money paid by the customer as security to the serving utility in order to establish or re-establish service as required by the utility's tariffs

1.3.5 "Exchange Access Service"—Basic exchange service furnished by means of a central office line.

1.3.6 "Flat Rate Service"—Exchange service furnished for a fixed periodic charge.

1.3.7 "Total Household Income"—All revenues, from all household members, from whatever source derived, whether

¹ As defined in Chapter 1143 of the Revenue and Taxation Code.

taxable or non-taxable, including, but not limited to: wages, salaries, interest, dividends, spousal support and child support payments, public assistance payments, social security and pensions, rental income, income from self-employment, and all employment-related, non-cash income.

1.3.8 “Gross revenues” means all revenues billed by a service supplier for the provision of intrastate interLATA telecommunications services, excluding all federal, state, and local taxes and all accounts which have been found to be worthless and written off for income tax purposes or, if the service supplier is not required to file income tax returns, written off in accordance with generally accepted accounting principles.

1.3.9 “Household”—The members of a residence.

1.3.10 “Information”—means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds or other symbols which may be conveyed via telecommunications.¹

1.3.11 “InterLATA”—means between one LATA and another.¹

1.3.12 “IntraLATA”—means within a single LATA.¹

1.3.13 “Intrastate telecommunication service” means any of the following:

1.3.13.1 A telecommunication for which there is a toll charge which varies in amount with the distance and elapsed transmission time of each individual communication, where the point of origin and the point of destination are located within this state.

1.3.13.2 A service which entitles the subscriber, upon payment of a periodic charge (determined as a flat amount or upon the basis of total elapsed transmission time), to the privilege of an unlimited number of telecommunications to or from persons having telephone, data, or radiotelephone stations which are outside the exchange area in which the station provided with the service is located, where the point of origin and the point of destination are located within this state.

1.3.13.3 A service which entitles the subscriber, upon payment, to transfer or move information whether voice, data, digital, or video in nature

¹ Supra

where the point or points of origin and the point or points of destination of the service are located in different exchanges in this state.¹

- 1.3.14 "In This State" means within the exterior limits of the State of California and includes all territory within those limits owned by or ceded to the United States of America.¹
- 1.3.15 "LATA"—means a local access and transport area as defined and approved by the United States District Court for the District of Columbia circuit in the case of the *United States v Western Electric Co., Inc., and American Telephone and Telegraph Co.*, CA 92-0192, April 20 and July 8, 1983, and in a Memorandum and Order of August 5, 1983.¹
- 1.3.16 "Local Call"—A completed call or telephonic communication between a calling station and any other station within the ZUM Zone 1 or the local exchange area plus any extended area service of the calling station.
- 1.3.17 "Measured Rate Service"—A telephone service which includes the exchange access service monthly rate based upon the number of outgoing timed and untimed local calls plus the applicable usage charges.
- 1.3.18 "Message Rate Service" (Metered Service)—A telephone service which includes the exchange access service monthly rate based upon the number of outgoing untimed local calls.
- 1.3.19 "Mileage Charges"—The additional charges for exchange telephone service furnished outside the base rate area or special rate area.
- 1.3.20 "Permanent Disconnect"—A discontinuance of service in which the facilities used for the service are made available for use for another service.
- 1.3.21 "Residence"—The residence (dwelling unit) shall consist of that portion of an individual house or building or one flat or apartment occupied entirely by a single family or individual functioning as one domestic establishment.

A room or portion of a residence occupied exclusively by an individual not sharing equally as a member of the domestic establishment may be considered a separate dwelling unit for the application of Universal Lifeline Telephone Service.

¹ Supra

- 1.3.22 “Residence Service”—Exchange access service furnished to a customer at a residence or place of dwelling where the actual or obvious use is for domestic purposes and not for business purposes.
- 1.3.23 “Service Connection Charge”—A charge designed to recover in part certain expenses incident to the provision of telephone service.
- 1.3.24 “Service Supplier”—means any person supplying any of the following:
 - 1.3.24.1 InterLata intrastate telecommunications services.
 - 1.3.24.2 Intrastate telecommunications services on a basis not defined by LATA boundaries.¹
- 1.3.25 “Service User”—means any person using intrastate telecommunications services in the state.¹
- 1.3.26 “Telecommunications”—means the transmission between or among points specified by the user, of information of the user’s choosing without change in the form or content of the information as sent and received, by means of electromagnetic transmission, including microwave and satellite, with or without benefit of any closed transmission medium, including all instrumentalities, facilities, apparatus, and services (including the collection, storage, forwarding, switching, and delivery of that information) essential to the transmission.¹
- 1.3.27 “Telephone” (telephone set, telephone instrument)—A unit of equipment consisting of a transmitter, receiver and associated apparatus.
- 1.3.28 “Temporary Disconnect”—A temporary discontinuance without termination of the service, made at the request of the customer or on the initiative of the utility.
- 1.3.29 “ULTS”—Universal Lifeline Telephone Service.
- 1.3.30 “Utility”—A supplier of intrastate, intraLATA telecommunication services.

2. *Tariff Filings*

Each telephone utility shall file tariffs implementing ULTS pursuant to C.P.U.C. Code 489 and as outlined in C.P.U.C. General Order No. 96-A. No tariff shall substantially depart from the intent of this General Order.

2.1 *Certification/Recertification Forms*

Certification and recertification forms that will be sent as required by Sections 3.12 and 3.13 of this General Order shall be

¹ Supra

submitted to the Executive Director of the Commission for approval. Telephone utilities shall allow five (5) working days for such approval. Once approved the forms need not be resubmitted unless changes are made. Telephone utilities shall also file these forms as part of their tariffs pursuant to C.P.U.C. Code 489 and as outlined in C.P.U.C. General Order No. 96-A.

2.2 Notices

Notices that will be sent as required by Section 3.13 of this General Order shall be submitted to the Executive Director of the Commission for approval. Telephone utilities shall allow five (5) working days for such approval. Once approved the notices need not be resubmitted unless changes are made.

3. Eligibility Criteria and Characteristics of the Service Subsidy

3.1 Universal Lifeline Telephone Service is available to all residence customers who meet the following eligibility requirements:

3.1.1 The residence at which the service is requested is the customer's principal place of residence.

3.1.2 There is only one exchange access service servicing that residence.

3.1.3 Based on current income, the customer's total household income does not exceed the income limitation set by the Commission.

3.1.1.1 The income limitation will be adjusted by the Commission each year for inflation based on the Federal Consumer Price Index (CPI). The adjustment will be made for each full calendar year, using 1984 as the base year. The adjusted income level will be established by the Commission no later than February 15 of the subsequent year.

3.1.1.2 No customer who is claimed as a dependent on another person's income tax return shall be eligible for ULTS.

3.2 Universal Lifeline Telephone Service is available to eligible residence customers subscribing to individual, two-party, four-party and suburban service. In those areas where measured service is available ULTS will be measured.

3.3 Universal Lifeline Telephone Service includes the following:

3.3.1 50% of the service connection charges for the provision of one exchange access service; one telephone if available, and the associated modular jack, if required.

3.3.2 A 75¢ monthly credit allowance applied toward leasing, purchasing, or maintaining a telephone instrument.

3.3.3 50% of the monthly rate for exchange access service, including any applicable mileage charges.

3.3.4 Unlimited incoming calls.

- 3.3.5 For flat rate customers, unlimited local calls and for message rate customers, 30 untimed local calls.
- 3.4 Universal Lifeline Telephone Service is restricted to residence service. Foreign exchange and farmer line services are excluded from this offering.
- 3.5 Reduced Service Connection Charges are limited to one installation per year for eligible recipients. No carryover credit will be given for years in which eligible customers do not use their authorized reduced Service Connection Charges. Reduced Service Connection Charges will apply to requests from eligible recipients for changes in class, type, or grade of service including requests to change from Foreign Exchange Service. Changes in class, type, or grade of service at the reduced rates will constitute that customer's one installation per year. Other than stated above, any change to the service will be at regular tariffed rates as set forth in the applicable tariff schedules of the utility.
- 3.6 Eligible recipients of this service may elect to have the reduced Service Connection Charges billed in 3 equal monthly installments. The customer is responsible for each installment payment at the time of receipt of the bill as specified in the utility's tariff.
- 3.7 Deposits for establishment of exchange access service for applicants for new service, as set forth in the tariff schedules of the utility, will not be required of eligible recipients to Universal Lifeline Telephone Service providing the applicant has no outstanding bill with any telephone utility within California. Other than previously stated, establishment and reestablishment of credit shall be in accordance with the tariff schedules of the utility.
- 3.8 Universal Lifeline Telephone Service shall be subject to the conditions of "Discontinuance and Restoration of Service" as set forth in the tariff schedules of the utility.
- 3.9 Service under ULTS will apply upon receipt of a completed utility-provided self-certification notice of eligibility from an applicant/customer. The self-certification form shall be the form as shown in the Forms Section of the utility's tariff schedules.
- 3.9.1 Those customers who self-certify their eligibility prior to July 1, 1984 will be automatically converted to Universal Lifeline Telephone Service on July 1, 1984.
- 3.9.2 Those customers whose certification is received by the utility prior to October 1, 1984 will have their bills adjusted (excluding usage) to reflect the Universal Lifeline Telephone Service rates retroactive to July 1, 1984.

- 3.9.3 All customers who self-certify their eligibility on or after October 1, 1984 will receive the Universal Lifeline Telephone Service rates commencing with their next billing period.
- 3.10 New applicants for telephone service will be advised of the availability of Universal Lifeline Telephone Service and if eligible will be furnished with the necessary self-certification forms. Those applicants who do not return a signed self-certification form to the utility within 30 days will be changed to regular tariffed rates. The regular tariffed rates will be retroactive to the date the Universal Lifeline Telephone Service began. If reduced service connection charges were applied, the difference between reduced charges and regular tariffed charges will be billed to the applicant. Such applicants who do not return a signed self-certification form to the utility within 30 days will be subject to the utility's rules applicable to the establishment of credit.
- 3.11 Recipients of Universal Lifeline Telephone Service must notify the utility of a change in any condition which occurs that would cause the household to no longer qualify for the service or if the service no longer meets the household needs. Upon receipt of notification, the utility will change the service to regular tariffed rates for the service furnished. Service Connection Charges will not apply to the change in service. If the Utility discovers that conditions exist which cause the recipient not to qualify for Universal Lifeline Telephone Service, the customer will be notified that the service will be converted to regular tariffed rates, retroactive to the date the customer can prove they became ineligible. If the customer cannot prove when they became ineligible, the Utility will bill the customer retroactive to the last certification date for the difference between Universal Lifeline Telephone Service rates and the regular tariff rates for the service furnished, including Service Connection Charges and deposits, if applicable.
- 3.12 Eligible recipients are required to recertify upon notice from the utility. The Utility will mail recertification forms to each recipient of the service annually. If the recipient fails to return the recertification forms within 30 days, the customer's service rates will be converted to the regular tariffed rates for the type, class, and grade of service furnished. Deposit requirements will be applied in accordance with applicable tariffs. Non-recurring charges will not apply to the change in service.
- 3.13 The Utility will annually mail a notification of availability and a self-certification form to all residence customers.
- 3.14 Except as specifically modified by this General Order, all rules, regulations, charges and rates in conjunction with the

services furnished elsewhere in the tariffs are also applicable to the service provided under ULTS.

3.15 Optional services and equipment, except as set forth in Section 3.3, are not included in Universal Lifeline Telephone Service rates, but will be available to Universal Lifeline Telephone Service customers at applicable tariffed rates and charges.

3.16 Universal Lifeline Telephone Service rates and the telephone set allowance credit shall be applied to each monthly statement for the months this service is furnished and shall apply only for the duration of this service.

4. *Monthly Reports to the Commission*

Each telephone corporation shall submit two copies of monthly reports with supporting working papers to the Executive Director of the Commission detailing expenses incurred and revenues lost as a result of providing ULTS.

4.1 *Timing and Format*

Each monthly report shall be for a full month and shall be filed with the Commission within 30 days of the end of the month for which the monthly report applies. The proper reporting format is outlined in Appendix A.

4.2 *Accessibility of Information to the Public*

Each telephone corporation shall make available upon request, open for public inspection in their main offices in California, copies of all monthly reports filed with the Commission in compliance with these rules.

5. *Claims for Reimbursement*

Each telephone corporation may submit two copies of quarterly claims to the Executive Director of the Commission for reimbursement of expenses incurred and revenues lost as a result of providing ULTS.

5.1 *Format*

Quarterly claims shall be based upon the data provided in the monthly reports submitted for the quarter for which the claim is being made. The proper format is outlined in Appendix B.

5.2 *Carrying Charge*

A 1.50% monthly carrying charge will be applicable to the reimbursable amount between the midpoint of the reporting month and the filing date of the quarterly statement or 30 days after the end of the quarter for which a quarterly statement is provided, whichever is sooner. The 1.50% monthly carrying charge will also be applicable to the reimbursable amount from the filing date of the quarterly statement with the Commission until the estimated date of payment by the State. To the extent that the estimated date of payment by the State is in error, a

true-up to the actual date of payment by the State will be paid in the following quarterly claim without any additional carrying charges applied to the time between quarterly claims. Because the 1.5% is an uncompounded rate, subsequent carrying charge calculations will be applied to the amount of the original claim, without regard to any carrying charge that has been accrued on the amount. The development of the carrying charges shall be shown on quarterly statements.

5.3 *Payment of Claims for Reimbursement*

All claims will be processed according to the rules in Part 2, Chapter 4, Article 1 of the Public Utilities Code.

5.3.1 *Approved Claims*

Upon approval of a claim, the Commission will send a transmittal letter to the State Controller's Office requesting payment of the claim. The Controller will issue a warrant to the originating telephone corporation no later than ten (10) workdays from the date of receipt of the Commission transmittal letter. No payment will be made if there is not a sufficient amount in the ULTS Fund to pay such approved claims pursuant to Sec. 44184 of the Act.

5.3.2 *Rejected Claims*

Upon rejection of all or a part of a claim, the Commission will provide the telephone corporation with a detailed explanation of the reason(s) for rejection. Any uncontested portions of the claim, and the carrying charges on such uncontested portions, will be forwarded to the State Controller's Office for payment.

Should it later be determined that all or a part of the contested portion of a claim was valid, the valid charges along with carrying charges from the midpoint of the month(s) in question shall be paid to the telephone company.

6. *Payment of Tax By Service Suppliers*

All taxes will be remitted in accordance with Chapters 2, 3, 4, 5 and 6 of Part 22 of the Public Utilities Code and in accordance with State Board of Equalization regulations.

7. *Determination of Service Suppliers*

Determination of service supplier status will be performed by the Commission under procedures established by the Evaluation & Compliance Division.

To: Executive Director
California Public Utilities Commission
State Building
350 McAllister Street
San Francisco, CA 94102

Appendix A

File No.: G.O. No. _____

Universal Lifeline Telephone Service
Monthly Report

Report Period _____ 19____

1. Total Nonrecurring Customer Charges
—Service Connection Charges \$ _____
—Service Conversion Charges _____
2. Total Recurring Charges
—50% Subsidy Provided _____
—\$.75 Equipment Credit _____
3. Surcharge at _____ %
(For those companies that have surcharges) _____
4. Claims for Imputed Deposits to Cover Bad Debts _____
5. Data Processing Expenses _____
6. Customer Notification Expenses _____
7. Accounting Expenses _____
8. Legal Expenses _____
9. Administrative Expenses
—Commercial/Marketing _____
10. Other
Reimbursement Due for Period _____ \$ _____

Number of Lifeline Accounts Billed _____

Submitted by _____ Title _____

Signature _____ Date _____

Company: _____

Address: _____

To: Executive Director
California Public Utilities Commission
State Building
350 McAllister Street
San Francisco, CA 94102

Appendix B

File No.: G.O. No. _____

UNIVERSAL LIFELINE TELEPHONE SERVICE
QUARTERLY CLAIM STATEMENT

Company: _____ Quarter: _____

Date Filed: _____

The following amounts are submitted for reimbursement from the Universal Telephone Service Fund based on the Monthly Reports data and the application of the 1.5% (18% annualized) monthly carrying charge:

Current Quarter

_____ filed _____

Reimbursement Due for Period

Carrying charge from _____ through _____

_____ filed _____

Reimbursement Due for Period

Carrying charge from _____ through _____

_____ filed _____

Reimbursement Due for Period

Carrying charge from _____ through _____

Total Current Quarter

Prior Quarter

Carrying Charge True-Up Based on Prior
Quarter's Date of Payment by State
(_____ through _____)

Prior Period Adjustment (See Attached) _____

Total Fund Claim _____

Send Payment to: _____

Prepared By: _____ Date: _____ Phone No. _____

Approved by: _____ Date: _____ Title: _____

APPENDIX B

ADOPTED TEXT OF GENERAL ORDER 153

GENERAL ORDER 153

Public Utilities Commission of the State of California

PROCEDURES FOR ADMINISTRATION OF THE MOORE UNIVERSAL TELEPHONE SERVICE ACT

GENERAL ORDER

1 GENERAL

- 1.1 Intent - The purpose of this General Order is to implement the Moore Universal Telephone Service Act [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 telecommunications carriers operating in California and to residential customers eligible for Universal Lifeline Telephone Service furnished pursuant to the Moore Universal Telephone Service Act.

2 DEFINITIONS

- 2.1.1 “Act” -- The Moore Universal Telephone Service Act, AB 1348, Ch. 1143, Stats. 1983 [Calif. Pub. Util. Code S 871 et seq.], as amended.
- 2.1.2 “Annual ULTS notice” – The written notice that each utility annually sends to all of its residential customers regarding the availability, terms, and conditions of ULTS.
- 2.1.3 “Basic Residential Telephone Service” – A class of local telephone service designed to meet the minimum communication needs of residential customers. The elements of basic residential telephone service are set forth in Decision (D.) 96-10-066, Appendix B, Rule 4. Basic residential telephone service is sometimes referred to as basic service.
- 2.1.4 “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 COLRs in designated high-cost areas of the State.
- 2.1.5 “Carrier of Last Resort (COLR)” – A carrier that is required by D. 96-10-066 to provide telephone service, upon request, to all residential and business customers within a designated geographic area. A COLR may be designated as such pursuant to D.96-10-066, Appendix B, Rule 6.D.1, or voluntarily acquire such status pursuant to D.96-10-066, Appendix B, Rule 6.D.4.
- 2.1.6 “Certification date” – The deadline for a residential customer to submit a certification or re-certification form.

- 2.1.7 “Commission” -- The California Public Utilities Commission.
- 2.1.8 “Customer-Owned Pay Telephone (COPT)” -- A pay telephone (coin or coinless) owned by a person or a business other than a phone company for public or non-public use.
- 2.1.9 “Deaf and Disabled Telecommunications Program (DDTP)” -- A public program established pursuant to Pub. Util. 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.
- 2.1.10 “DDTP Administrative Committee (DDTPAC)” -- An advisory board established by the Commission to (i) administer the DDTP and (ii) advise the Commission on the development, implementation, and administration of the DDTP.
- 2.1.11 “Deposit” -- Money paid by the customer as security to the serving utility in order to establish or re-establish service as required by the utility’s tariffs.
- 2.1.12 “Disabled Person” -- A person who is qualified to obtain free telecommunications equipment and services through the DDTP pursuant to Pub. Util. Code § 2881 et seq.
- 2.1.13 “Eligible Telecommunications Carrier (ETC)” -- A 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., and the ETC is eligible to receive the federal financial support for the provision of such services.
- 2.1.14 “End-user intrastate telecommunications services” -- All telecommunications services that both originate and terminate within the State of California, whether tariffed or untariffed, that are used by, and billed to, the final user of the service.
- 2.1.15 “End-User Common Line (EUCL) Charge” -- The federally mandated monthly charge assessed directly on end-users of telecommunications services to recover portion of a utility’s interstate-allocated cost of the access line between the utility’s central office and the end-user’s premises.
- 2.1.16 “Equipment Self-Certification Form” -- A form developed by the DDTPAC that is signed and submitted by a customer applying for more than one ULTS line if the customer has obtained qualifying equipment from a source other than the DDTP.
- 2.1.17 “Exchange Area” -- An area shown on maps filed in a utility’s tariff schedules within which the utility holds itself out to furnish exchange telephone service from one or more central offices serving that area.

- 2.1.18 "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.
- 2.1.19 "Flat-Rate Local Service" -- Local telephone service satisfying the requirements of basic residential telephone service which is furnished for a fixed periodic charge and provides unlimited local calls without additional charges.
- 2.1.20 "Gross revenues" -- All revenues billed by a telecommunications carrier 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.
- 2.1.21 "Household" -- A ULTS customer and those persons, if any, living with the ULTS customer in a single residence.
- 2.1.22 "Incumbent Local Exchange Carrier (ILEC)" -- The former monopoly provider of local exchange service in a given service area. ILECs are required to serve as a COLR pursuant to D.96-10-066, Appendix B, Rule 6.D.1.
- 2.1.23 "Intrastate telecommunication service" -- Means any of the following:
 - 2.1.23.1 A telecommunication for which there is a toll charge that varies in amount with the distance and/or the elapsed transmission time of each individual communication, where the point of origin and the point of destination are located within this state.
 - 2.1.23.2 A service that entitles the subscriber, upon payment of a periodic charge (determined as a flat amount or upon the basis of total elapsed transmission time), to the privilege of an unlimited number of telecommunications to or from persons having telephone, data, or radio telephone stations that are outside or within the exchange area in which the station provided with the service is located, where the point of origin and the point of destination are located within this state.
 - 2.1.23.3 A service that entitles the subscriber, upon payment, to transfer or move information whether voice, data, digital, or video in nature where the point or points of origin and the point or points of destination of the service are located in this state.
- 2.1.24 "In This State" -- Means within the interior limits of the State of California and includes all territory within those limits owned by or ceded to the United States of America.
- 2.1.25 "Local Call" -- A completed call or telephonic communication between a calling station and any other station within the designated local exchange area plus any extended area service of the calling station.

- 2.1.26 "Measured-Rate Local Service" -- A 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..
- 2.1.27 "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 Pub. Util. Code §2881 et seq.
- 2.1.28 "Qualifying Equipment and Services" -- Those equipment and services that a household must possess and/or subscribe to in order to qualify for more than one ULTS line.
- 2.1.29 "Qualifying Household" -- A customer who is eligible to receive ULTS.
- 2.1.30 "Public Advisor" -- An organizational unit within the Commission that is responsible for carrying out those duties and responsibilities related to the ULTS program that are set forth in this General Order.
- 2.1.31 "Regular Tariff Rates" -- A carrier's or utility's rates and charges for telecommunications services that are applicable to non-ULTS residential customers.
- 2.1.32 "Residence" -- That portion of an individual house, building, flat, or apartment (a dwelling unit) occupied entirely by a single family or individual functioning as one domestic establishment. A room or portion of a dwelling unit occupied exclusively by an individual not sharing equally as a member of the domestic establishment may be considered a separate residence for the application of Universal Lifeline Telephone Service.
- 2.1.33 "Residential Local Service" -- Basic residential telephone service furnished to a customer at a residence or place of dwelling where the actual or obvious use is for domestic purposes and not for business purposes.
- 2.1.34 "Service" -- Basic residential telephone service furnished to a customer at a residence or place of dwelling where the actual or obvious use is for domestic purposes and not for business purposes.
- 2.1.35 "Service Connection Charge" -- A charge designed to recover in part certain expenses incident to the installation of telephone service.
- 2.1.36 "Service Conversion Charge" -- A charge designed to recover certain expenses incident to changing the class, type, or grade of ULTS, such as switching from measured-rate local service to flat-rate local service.
- 2.1.37 "Surcharge" -- The percentage increment, as determined by the Commission, that is applied to the end-user's bill by the carrier for intrastate telecommunications services.

- 2.1.38 “Telecommunications 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. Pursuant to Pub. Util. Code §234(b), the definition of “telecommunications carrier” excludes providers of one-way paging service.
- 2.1.39 “Telecommunications Division” – An organization within the Commission that is responsible for carrying out those duties and responsibilities related to the ULTS program that are set forth in this General Order.
- 2.1.40 “Text-Telephone Devise” – A devised used by disabled persons to send and receive information over a telephone line in text and graphic forms A text-telephone devise is sometimes referred to as a “TTY devise.”
- 2.1.41 “Three-Month Commercial Paper Rate” -- The 3-month commercial paper rate published in the Federal Reserve Statistical Release, G-13.
- 2.1.42 “Three-Way Calling” – A tariffed service provided by telecommunications carriers that enables three end-users at three separate locations to communicate simultaneously with one another.
- 2.1.43 “Toll Blocking” -- A service provided by a carrier that lets consumers elect not to allow the completion of outgoing toll calls from their telecommunications channel.
- 2.1.44 “Toll Control” -- A service provided by a carrier that allows consumers to specify a certain amount of toll usage that may be incurred on their telecommunications channel per month or per billing cycle.
- 2.1.45 “Toll Limitation Service” – A service that includes, but is not limited to, toll blocking or toll control service.
- 2.1.46 “Total Household Income” -- All revenues, from all household members, from whatever source derived, whether taxable or non-taxable, including, but not limited to: wages, salaries, interest, dividends, spousal support and child support, grants, gifts, allowances, stipends, public assistance payments, social security and pensions, rental income, income from self-employment and cash payments from other sources, and all employment-related, non-cash income.
- 2.1.47 “ULTS” -- Universal Lifeline Telephone Service. ULTS is a class of subsidized local telephone service designed to meet the minimum communication needs of low-income residential customers. ULTS includes all of the service elements set forth in Appendix A of this General Order. ULTS is funded by a surcharge on all end users of intrastate telecommunications services except for certain services set forth in this General Order. ULTS is sometimes referred to as “Lifeline service.”

- 2.1.48 “ULTS Trust Administrative Committee (ULTSAC)” -- An advisory board that (i) administers the ULTS program and (ii) advises the Commission on the development, implementation, and administration of the ULTS program. The Commission, the Commission’s Executive Director, and the Director of the Telecommunications Division may override any decision made by the ULTSAC on any matter.
- 2.1.49 “ULTS Trust Administrative Committee Fund (ULTS Fund)” -- A repository of ULTS surcharge monies used to reimburse utilities and others as directed by the Commission for the costs associated with the provision and administration of the ULTS program.
- 2.1.50 “ULTS Line” – A single subsidized telephone connection provided by a utility under the ULTS program to a qualifying household.
- 2.1.51 “Utility” – A telecommunications carrier that offers ULTS as defined by this General Order. All telecommunications carriers that offer residential local exchange service are required to offer ULTS.

3 TARIFF FILINGS

- 3.1 Telecommunications carriers that are required to file tariffs with the Commission shall include in their tariffs the requirement to collect the ULTS surcharge from their customers.
- 3.2 Utilities that are required to file tariffs with the Commission shall include in their tariffs the requirement to offer ULTS to the public under the terms and conditions that reflect the requirements of Pub. Util. Code § 871 et seq., relevant Commission decisions, and this General Order.
- 3.3 Any telecommunications carrier that offers ULTS shall file tariffs regarding the provision of ULTS that reflect the requirements of Pub. Util. Code § 871 et seq., relevant Commission decisions, and this General Order.
- 3.4 All tariff filings pertaining to any aspect of the ULTS program and/or the ULTS surcharge shall be filed in accordance with Calif. Pub. Util. Code § 489 and General Order 96. No tariff shall substantially depart from the intent of this General Order.

4 NOTICES, ENROLLMENT, AND CERTIFICATION FORMS

- 4.1 Initial ULTS Notice.
 - 4.1.1 Utilities shall inform new customers calling to establish residential local exchange telephone service about the availability of ULTS, including the availability of two ULTS lines for qualified disabled persons. If customers indicate that they are interested in subscribing to ULTS, utilities shall inform customers about the following:
 - 4.1.1.1 ULTS eligibility criteria. The information provided to customers about ULTS eligibility criteria shall be at the same level of detail as in the utility’s Commission-approved annual ULTS notice.

4.1.1.2 The utility may verify the customer's eligibility to participate in the ULTS program, and if the verification establishes that the customer is ineligible, the customer will be removed from the ULTS program and billed for previous ULTS discounts that the customer should not have received.

4.1.2 Utilities shall not link the availability of discounted phone service under the ULTS program with the sale of non-ULTS services.

4.2 Enrollment.

4.2.1 Utilities shall ask potential ULTS customers if they meet the ULTS eligibility criteria without the customers having to disclose specific household income levels.

4.2.2 If a customer verbally certifies that he or she is eligible to participate in the ULTS program, the utility shall immediately enroll the customer into the ULTS program and send to the customer a customer self-certification form. Customers must submit to the utility a signed self-certification form within 30 days of being admitted into the ULTS program in order to remain in the ULTS program.

4.3 Annual ULTS Notice.

4.3.1 Every utility shall annually send to all of its residential customers a notice that contains (i) information about the availability, terms, and conditions of ULTS, and (ii) a customer self-certification form.

4.3.1.1 The annual notice shall include information about the availability, terms, and conditions of two ULTS lines for qualified disabled persons.

4.3.1.2 Every utility shall submit its annual notice to the Commission Public Advisor (PA) for the PA's review and approval. Once approved, a utility does not need to resubmit its annual notice to the PA unless there is a material change to the notice. A change to the annual notice to reflect the annual adjustment to ULTS income eligibility limits is not a material change to the notice.

4.4 Customer Self-Certification Forms.

4.4.1 Each utility shall develop a customer self-certification form that complies with the requirements of this General Order. Utilities shall submit their customer self-certification forms to the PA for review and approval by the PA. Once approved, a utility does not need to resubmit its customer self-certification form to the PA unless there is a material change to the form. A change to the form to reflect the annual adjustment to ULTS income eligibility limits is not a material change to the form.

4.4.2 Utilities shall file their approved customer self-certification forms as part of their tariffs.

4.4.3 Each utility's customer self-certification form shall contain the following: (1) a description of ULTS program benefits; (2) a detailed description of ULTS eligibility criteria; and (3) a tear-out postcard or other means for the customer to provide the utility with written certification of the customer's eligibility to participate in the ULTS program. The tear-out postcard shall include a pre-printed statement that indicates (i) the utility may verify the customer's eligibility to participate in the ULTS program; (ii) if the verification establishes that the customer is ineligible to participate in the ULTS program, the customer will be removed from the program and billed for previous ULTS discounts that the customer should not have received; and (iii) the customer has reviewed the eligibility criteria contained in the certification form. The tear-out postcard shall also include a signature area that conveys (a) the customer's certification of his or her eligibility for ULTS, and (b) the customer's acceptance of the terms and conditions of ULTS.

4.4.3.1 Each utility's customer self-certification form that is provided to a household with only one member that is applying for two ULTS lines shall: (i) comply with all the requirements set for in Section 4.4.3 of this General Order; (ii) contain detailed information regarding the availability, terms, and conditions of two ULTS lines; and (iii) include on the tear-out postcard a pre-printed statement which indicates that (a) the household member is disabled, (b) the disabled member has submitted to the utility or the DDTP a medical certificate of their disability that complies with Pub. Util. Code § 2881 et seq., (c) the medical certificate indicates the member's need for a TTY devise, (d) the disabled member has immediate and continuous access within the household to a TTY devise, and (e) the household subscribes to 3-way calling.

4.4.3.2 Each utility's customer self-certification form that is provided to a household with two or more members that is applying for two ULTS lines shall: (i) comply with all the requirements set for in Section 4.4.3 of this General Order; (ii) contain detailed information regarding the availability, terms, and conditions of two ULTS lines; and (iii) include on the tear-out postcard a pre-printed statement which indicates that (a) the household has a disabled member, (b) the disabled member has submitted to the utility or the DDTP a medical certificate of their disability that complies with Pub. Util. Code § 2881 et seq., (c) the medical certificate indicates the disabled member's need for a TTY devise, and (d) the disabled member has immediate and continuous access within the household to a TTY devise.

4.4.3.3 The self-certification form for two ULTS lines shall be signed by the subscriber whose name appears on the account, and by the disabled household member, if different than the subscriber.

- 4.4.3.3.1 Parents or guardians shall sign the self-certification form on behalf of a disabled member of the household who is a child or cannot sign a self-certification form for disability-related reasons. Thus, the subscriber shall sign the self-certification form twice if the subscriber is the parent or guardian of the disabled member of the household.
- 4.4.3.4 If a customer who seeks two ULTS lines has obtained a TTY device from a source other than the DDTP, the customer shall certify their eligibility to receive two ULTS lines by submitting the following to the utility: (i) a medical certificate that (a) complies with Pub. Util. Code §2881 et seq., and (b) indicates the customer's need for a TTY device; (ii) a signed equipment self-certification form.
 - 4.4.3.4.1 The equipment self-certification form shall state that the customer has ready access to a TTY device within his or her residence.
 - 4.4.3.4.2 The equipment self-certification form shall be signed by the disabled household member. Parents or guardians may sign the equipment self-certification form on behalf of a disabled member of the household who is a child or cannot sign a self-certification form for disability-related reasons.
- 4.5 Customer Re-certification Forms.
 - 4.5.1 Each utility shall require its ULTS customers to annually sign and submit a customer re-certification form provided by the utility.
 - 4.5.2 Each utility shall develop a customer re-certification form that complies with the requirements of this General Order. Utilities shall submit their customer re-certification forms to the PA for review and approval by the PA. Once approved, a utility does not need to resubmit its customer re-certification form to the PA unless there is a material change to the form. A change to the form to reflect the annual adjustment to ULTS income eligibility limits is not a material change to the form.
 - 4.5.3 Utilities shall file their approved re-certification forms as part of their tariffs.
 - 4.5.4 Each utility's customer re-certification form shall contain the following: (1) a description of ULTS program benefits; (2) a detailed description of ULTS eligibility criteria; and (3) a tear-out postcard or other means for the customer to provide the utility with written certification of the customer's eligibility to participate in the ULTS program. The tear-out postcard shall include a pre-printed statement that indicates (i) the utility may verify the customer's eligibility to participate in the ULTS program; (ii) if the verification establishes that the customer is ineligible to participate in the ULTS program, the customer will be removed from the program and billed for previous ULTS discounts that the customer should not have received; and (iii) the customer has reviewed the eligibility criteria contained in the re-certification form. The tear-out postcard shall also include a signature area that conveys (a) the

customer's certification of his or her eligibility for ULTS, and (b) the customer's acceptance of the terms and conditions of ULTS.

4.5.4.1 Each utility's customer re-certification form that is provided to ULTS customers who subscribe to two ULTS lines shall (i) comply with all the requirements set forth in Section 4.5.4 of this General Order, (ii) contain detailed information regarding the availability, terms, and conditions of two ULTS lines, and (iii) include on the tear-out postcard a pre-printed statement which indicates that (a) the disabled member of the household for whom the second ULTS line was originally provided is still a member of the household; and (b) the disabled member has immediate and continuous access within the household to qualifying equipment and services.

4.5.4.1.1 The re-certification form for two ULTS lines shall be signed by the subscriber whose name appears on the account, and by the disabled household member, if different than the subscriber.

4.5.4.1.2 Parents or guardians shall sign the re-certification form on behalf of a disabled member of the household who is a child or cannot sign a self-certification form for disability-related reasons. Thus, the subscriber shall sign the re-certification form twice if the subscriber is the parent or guardian of the disabled member of the household.

4.6 ULTS Notices and Forms in the Language of Sale.

4.6.1 Any utility that sells ULTS in a language other than English shall provide to its ULTS customers to whom ULTS was sold in a language other than English with the following:

4.6.1.1 Commission-mandated ULTS notices that are in the same language in which ULTS was originally sold.

4.6.1.2 Commission-mandated customer certification forms and re-certification forms that are in the same language in which ULTS was originally sold.

4.6.1.3 Toll-free access to customer service reps who are fluent in the language in which ULTS was originally sold.

5 ELIGIBILITY CRITERIA FOR OBTAINING AND RETAINING ULTS

5.1 ULTS is available to any residential customer who meets all of the following eligibility requirements:

5.1.1 The residence at which the service is requested is the customer's principal place of residence.

5.1.2 The customer and the members of the customer's household collectively have one, and only one, ULTS line, except as provided for elsewhere in Rule 5 of this General Order.

5.1.3 The members of the customer's household collectively earn no more than the following amount of annual income:

<u>Household Size</u>	<u>ULTS Income Limits</u> <u>Effective 6/1/99 through 5/31/00</u>
1-2 members	\$17,750 per year
3 members	\$20,910 per year
4 members	\$25,090 per year
Each additional member	\$4,180 per year

5.1.3.1.1 The income used to determine eligibility for the ULTS program shall be based on the definition of "total household income" as defined in this General Order.

5.1.3.1.2 For households with self-employed members, the "income from self-employment" shown on IRS Form 1040, Schedule C, line 29, shall be used in the determination of whether a household is eligible to participate in the ULTS program.

5.1.3.1.3 Borrowed money shall not be considered as income when determining eligibility for the ULTS program.

5.1.3.1.4 Funds transferred from one account to another, such as from savings account to a checking account, shall not be considered as income when determining eligibility for the ULTS program, even if such funds are used for living expenses.

5.1.4 No customer who is claimed as a dependent on another person's income tax return shall be eligible for ULTS.

5.1.5 A household with only one member shall be eligible to receive two ULTS lines if: (i) the household meets all ULTS eligibility criteria set forth above; (ii) the household member is disabled; (iii) the disabled member has submitted to the utility or the DDTP a medical certificate of their disability that (a) complies with Pub. Util. Code § 2881 et seq., and (b) indicates the member's need for a TTY device; (iv) the disabled member has a TTY within the household; and (v) the household subscribes to 3-way calling.

- 5.1.6 A household with two or more members shall be eligible to receive two ULTS lines if: (i) the household meets all ULTS eligibility criteria set forth above; (ii) the household has a disabled member; (iii) the disabled member has submitted to the utility or the DDTP a medical certificate of their disability that (a) complies with Pub. Util. Code § 2881 et seq., and (b) indicates the member's need for a TTY devise; and (iv) the disabled member has a TTY within the household.
- 5.1.7 All ULTS rules and regulations that apply to the one ULTS line shall apply equally to the second ULTS line provided to a household.
- 5.2 The ULTS income limits will be adjusted each year for inflation based on the Federal Consumer Price Index - Urban Areas.
 - 5.2.1 The Commission's Telecommunications Division (TD) shall adjust ULTS income limits by April 15th of each year. TD shall notify utilities of the annual adjustment within five business days of the adjustment being made. Utilities shall implement the adjusted ULTS income limits by no later than June 1st of each year.
 - 5.2.1.1 To implement the annual adjustment to ULTS income limits, utilities shall do all of the following: (i) file revised tariffs that reflect (a) the adjusted income limits, and (b) the instructions, if any, contained in the notice of the annual adjustment sent by TD; (ii) revise their annual ULTS notice to reflect the adjusted ULTS income limits; and (iii) revise their customer certification and re-certification forms to reflect the adjusted ULTS income limits.
- 5.3 No utility shall knowingly enroll into the ULTS program a customer who does not meet the ULTS eligibility criteria. No utility shall knowingly allow a customer to remain in the ULTS program who does not meet the ULTS eligibility criteria.
- 5.4 Each customer enrolling in the ULTS program shall submit to their ULTS provider a signed certification form that attests to the customer's eligibility to participate in the ULTS program.
 - 5.4.1 Any customer who fails to submit a signed certification form within 30 days of enrolling in the ULTS program shall be removed from the ULTS program. The utility shall bill the customer for all ULTS discounts received by the customer. The customer will also be subject to the utility's rules applicable to the establishment of credit.
- 5.5 Utilities shall use the procedures set forth in Appendix B of this General Order to initially certify a customer's eligibility to receive two ULTS lines.
- 5.6 The DDTP and all utilities shall implement systems and procedures by no later than July 1, 2000, to enable utilities to obtain the following information from the DDTP: (i) whether a household that is applying for two ULTS lines has a disabled member; (ii) whether the disabled member has submitted a medical certificate of their disability that (a) complies with Pub. Util. Code § 2881 et seq., and (b) indicates the member's need for a TTY devise; and (iii) whether the disabled member has a TTY devise.

- 5.7 The DDTP and all utilities shall develop and deploy a system by no later than July 1, 2001, to provide utilities with real-time access to the DDTP's data base of customer and equipment records to enable utilities to verify: (i) whether a household that is applying for two ULTS lines has a disabled member; (ii) whether the disabled member has submitted a medical certificate of their disability that (a) complies with Pub. Util. Code § 2881 et seq., and (b) indicates the member's need for a TTY device; and (iii) whether the disabled member has a TTY device.
- 5.8 Each ULTS customer shall annually re-certify their eligibility to participate in the ULTS program. Utilities shall annually mail re-certification forms to all of their ULTS customers in one of two ways: (i) mailing a re-certification form to each ULTS customer on the approximate anniversary date of the customer's enrolling into the ULTS program, or (ii) blanket mailing of re-certification forms to all of the utility's ULTS customers at the same time each year, including to ULTS customers who have been enrolled in the ULTS program for less than one year.
- 5.8.1 Utilities shall annually mail to ULTS customers with two ULTS lines the re-certification form applicable to customers with two ULTS lines.
- 5.8.2 If a utility elects to mail re-certification forms to all ULTS customers at the same time each year, the utility shall inform customers when they initially enroll in the ULTS program, and with each re-certification thereafter, that re-certification will be conducted at the same time each year regardless of when the customer enrolled in the ULTS program.
- 5.8.3 ULTS customers must submit to the utility a signed re-certification form to remain in the ULTS program. Utilities shall remove from the ULTS program any customer who fails to return a signed re-certification form by the "due date" specified below.
- 5.8.3.1 Each utility shall establish a "due date" by which ULTS customers must submit a signed re-certification form. The due date shall be either (i) the customer's anniversary date, or (ii) the utility's due date for the return of blanket mailings of re-certification forms. Utilities shall mail re-certification forms at least 30 days before the due date. Customers who fail to return a re-certification form by the due date shall pay regular tariffed rates and charges effective as of the due date.
- 5.8.4 When re-certifying a one-person household with two ULTS lines, utilities shall ascertain whether such customers still subscribe to 3-way calling. If a utility discovers that a ULTS customer no longer subscribes to 3-way calling, then the utility shall (i) immediately remove the second ULTS line, and (ii) back bill the customer for ULTS discounts on the second line that the customer should not have received, along with interest equal to the 3-month commercial paper rate.
- 5.9 ULTS customers must notify the utility of any change that causes the household to no longer qualify for (i) ULTS, or (ii) a second ULTS line. Upon receipt of notification, the utility will change ULTS to regular tariffed rates and charges for the

- services furnished. No service conversion charges shall be billed to the customer for this change in service.
- 5.10 If the utility discovers that a ULTS customer no longer qualifies for (i) ULTS, or (ii) a second ULTS line, the utility shall immediately (a) convert ULTS to regular tariffed rates and charges, and (b) notify the customer that ULTS has been converted to regular tariffed rates and charges.
- 5.10.1 Regular tariffed rates and charges shall be retroactive to the date the customer can prove they became ineligible for ULTS. If customers cannot prove when they became ineligible, the utility shall bill such customers retroactive to the last certification date for the following:
- 5.10.1.1 The difference between ULTS rates and the regular tariffed rates for the service furnished, including service connection charges, and conversion charges.
- 5.10.1.1.1 Any additional revenues billed and collected by the utility shall be used to reduce its claims for ULTS-related costs and lost revenues.
- 5.10.1.2 Service deposits, if applicable.
- 5.10.1.3 Interest on ULTS discounts that the customer should not have received. The rate of interest shall be based on the 3-month commercial paper rate.
- 5.10.1.3.1 Any interest billed and collected by the utility shall be used to reduce its claims for ULTS-related costs and lost revenues.
- 5.11 The ULTSAC may reduce ULTS claim payments to a utility by an amount of ULTS discounts and interest that a utility fails to bill to an ineligible customer found to be participating in the ULTS program.
- 5.12 The Commission, the Commission's agents, and utilities may audit and verify a customer's eligibility to participate in the ULTS program.
- 5.12.1 Any ULTS customer who is found to be ineligible to participate in the ULTS program shall be removed from the ULTS program and billed for any ULTS discounts the customer should not have received, plus interest determined in accordance with the 3-month commercial paper rate.
- 5.12.2 Any ULTS customer who fails to provide proof of their eligibility to participate in the ULTS program upon request shall be removed from the ULTS program and may be billed for any ULTS discounts the customer should not have received, plus interest determined in accordance with the 3-month commercial paper rate.
- 5.13 Customers may dispute a utility's finding of ineligibility by submitting a formal or informal complaint to the Commission.

6 SERVICE ELEMENTS, SERVICE DEPOSITS & SERVICE REQUIREMENTS OF ULTS

- 6.1 Utilities shall offer to their ULTS customers all of the service elements set forth in Appendix A of this General Order.
- 6.2 ULTS is restricted to eligible low-income residential customers who subscribe to individual, two-party, four-party and suburban residential service.
- 6.3 ULTS is restricted to residential service. Foreign exchange, farmer lines, and other non-ULTS services are excluded from this offering.
- 6.4 Utilities may not require deposits for the establishment of ULTS.
- 6.5 Utilities may require a ULTS customer to pay any overdue ULTS rates and charges, or make payment arrangements, before ULTS is reinstated at the same address or at a new address.
- 6.6 Other than previously stated, ULTS is subject to the conditions of “Discontinuance and Restoration of Service” as set forth in the utility’s tariffs.

7 ULTS RATES AND CHARGES

- 7.1 Utilities shall offer ULTS priced at the following rates and charges:
 - 7.1.1 Discounted nonrecurring service connection charge for the initial installation of a single telephone connection at the ULTS subscriber’s primary residence (“ULTS connection charge”).
 - 7.1.1.1 The ULTS connection charge shall equal the lower of (i) \$10.00, or (ii) 50% of the utility’s regular tariffed service connection charge for the initial installation of a single residential telephone connection.
 - 7.1.1.2 The ULTS connection charge is applicable to all qualifying households residing at the same address.
 - 7.1.1.3 The ULTS connection charge is applicable any time a qualifying household (i) establishes ULTS, (ii) re-establishes ULTS at the same residence at which ULTS was previously provided, (iii) establishes ULTS at a new residence, or (iv) switches ULTS from one utility to another.
 - 7.1.1.4 Utilities may not impose a “central office charge” in addition to the ULTS connection charge when installing ULTS.
 - 7.1.1.5 Installation of a second and subsequent telephone service connections shall be subject to the utility’s regular tariffed rates for these connections, except that low-income households with a disabled member may qualify for ULTS connection charges on two residential telephone connections.

- 7.1.2 Deferred payment of the ULTS connection charge.
 - 7.1.2.1 Utilities shall offer ULTS customers the option of paying the ULTS connection charge in three equal monthly installments with no interest. Utilities may also offer ULTS customers the option of paying the ULTS connection charge in equal monthly installments with no interest for a period not to exceed 12 months.
 - 7.1.2.2 Utilities may charge a late-payment fee when ULTS customers fail to timely remit some of all of the ULTS connection charge under a deferred-payment schedule.
- 7.1.3 Discounted nonrecurring charge for service conversion (“ULTS conversion charge”).
 - 7.1.3.1 The ULTS conversion charge shall equal the lower of (i) \$10.00, or (ii) 50% of the utility’s regular tariffed service conversion charge.
 - 7.1.3.2 The ULTS conversion charge is applicable each time a ULTS customer requests 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 ULTS customer may pay the ULTS conversion charge to effect a change in the class, type, or grade of service.
- 7.1.4 Discounted monthly rate for flat-rate local service (“ULTS flat-rate service”).
 - 7.1.4.1 The ULTS flat-rate service shall equal the lower of (i) 50% of the utility’s regular tariffed rate for flat-rate local service, or (ii) one-half of Pacific Bell’s regular tariffed rate for flat-rate local service. One-half of Pacific Bell’s regular tariffed rate for flat-rate local service is currently \$5.34 per month.
 - 7.1.4.2 ULTS customers subscribing to ULTS flat-rate service shall receive unlimited local calling.
- 7.1.5 Discounted monthly ULTS rate for measured-rate local service (ULTS measured-rate service).
 - 7.1.5.1 The ULTS measured-rate service shall equal the lower of (i) 50% of the utility’s regular tariffed measured-rate service for local residential service, or (ii) one-half of Pacific Bell’s regular tariffed measured-rate service. One-half of Pacific Bell’s regular tariffed measured-rate service is currently \$2.85 per month.
 - 7.1.5.2 ULTS customers subscribing to ULTS measured-rate service shall receive 60 untimed local calls per month. The utility shall charge \$0.08 per call for each local call in excess of 60 per month.
- 7.1.6 Discounted monthly EAS rate.
 - 7.1.6.1 In exchanges with EAS, ULTS customers shall pay 50% of the applicable EAS increment. Unlimited incoming calls shall apply.

- 7.1.7 No charge for the federal EUCL charge.
- 7.1.8 No charge for toll-limitation service (including, but not limited to, toll blocking or toll control).
- 7.1.9 No charge for the taxes, fees, or surcharges assessed on ULTS rates and charges. The aforementioned taxes, fees, and surcharges include the following: California High Cost Fund (CHCF) A surcharge, CHCF-B surcharge, California Teleconnect Fund surcharge, federal excise tax, and local franchise taxes.
 - 7.1.9.1 Utilities shall pay to the appropriate taxing authorities the aforementioned taxes, fees, and surcharges.
- 7.2 A utility may require advance payments for ULTS rates and charges not to exceed one month's rates and charges.
- 7.3 Optional services and equipment are not included in ULTS rates and charges, but will be available to ULTS customers at the applicable regular tariffed rates and charges.
 - 7.3.1 Each ULTS customer shall be eligible for one or more ULTS lines as set forth in this General Order, and ULTS customers may subscribe to additional, non-ULTS lines. Non-ULTS lines will be available to ULTS customers at the applicable regular tariffed rates and charges.
 - 7.3.1.1 This General Order shall not apply to any additional, non-ULTS lines that a ULTS customer subscribes to.
- 7.4 Except as specifically modified by this General Order, all rules, regulations, charges and rates in conjunction with the services furnished elsewhere in a utility's tariffs are also applicable to the service provided under ULTS.
- 7.5 TD shall notify utilities of any changes to the statewide ULTS rates and charges set forth in this General Order, including changes to the statewide recurring monthly rates for ULTS due to a change in Pacific Bell's monthly rates for ULTS. Such notice shall inform utilities of the new statewide rates and charges for ULTS, and instruct utilities to file compliance tariffs, if necessary, to reflect the new statewide rates and charges. Upon receipt of such notice, utilities shall file tariffs, if necessary, to implement the new statewide ULTS rates and changes.

8 REPORTS AND CLAIMS FOR REIMBURSEMENT OF ULTS-RELATED COSTS

- 8.1 Eligible Utilities.
 - 8.1.1 Any utility that provides ULTS may submit a claim for the reimbursement of its ULTS-related costs and lost revenues.

8.2 Recoverable ULTS Costs and Lost Revenues.

8.2.1 A utility, regardless of whether or not it is an ETC, may recover from the ULTS Fund the reasonable costs and lost revenues that it incurs to provide ULTS to the extent that such costs and lost revenues meet all of the following criteria: (i) directly attributable to the ULTS program, (ii) would not otherwise be incurred in the absence of the ULTS program, and (iii) not recovered from other sources, such as the rates and charges paid by ULTS customers, the utility's general rates, or subsidies from the federal Lifeline and Link Up programs.

8.3 Utilities may recover the following costs and lost revenues from the ULTS Fund:

8.3.1 Lost revenues caused by providing ULTS customers with (i) ULTS connection charges, (ii) ULTS conversion charges, (iii) discounted monthly rates for local service, and (iv) untimed local calls.

8.3.2 Each utility, on a per ULTS customer basis, may collect from the ULTS Fund an amount of lost revenues equal to the difference between (a) ULTS rates and charges, and (b) the lesser of the following: (i) the utility's regular tariffed rates and charges, or (ii) the regular tariffed rates and charges of the ULTS customer's incumbent local exchange carrier.

8.3.3 The federal EUCL charge that the utility pays on behalf of its ULTS customers.

8.3.4 The taxes, fees, and surcharges associated with the federal portion of the ULTS discount provided to ULTS customers beginning January 1, 1998.

8.3.5 The taxes, fees, and surcharges that a utility pays on behalf of its ULTS customers.

8.3.5.1 The base for calculating the reimbursable amount of federal Excise Tax shall include only the lost revenues from the following items: (a) conversion charges, (b) measured and/or flat rate service, (c) EUCL, (d) surcharges (including PUC user fee), and (e) other customer charges. Service connection charges are exempted from the tax. The base for calculating the reimbursable amount of PUC user fee shall include only the lost revenues for the following items: (a) connection charges, (b) conversion charges, (c) measured and/or flat rate service, (d) surcharges claimed from the ULTS fund, and (e) other customer charges. The following table summarizes how the federal excise tax and PUC user fee must be calculated and reported on the ULTS Claim Form:

<u>Base for Federal Excise Tax</u>	<u>Base for PUC User Fee</u>
Conversion charges Measured Flat EUCL Surcharges: Other rate cases PUC user fee Other customer charges	Connection charges Conversion charges Measured Flat Surcharges: Bill & keep Other rate cases Other Customer charges

- 8.3.5.2 Utilities shall not be reimbursed for federal excise taxes and PUC user fees unless such taxes and fees are calculated and reported in accordance with the above instructions.
- 8.3.5.3 If a utility's actual liability for the taxes, fees, and surcharges that it pays on behalf of its ULTS customers differs from the amount that was previously reimbursed by the ULTS Fund, the utility shall report the difference, whether positive or negative, as a true up on its ULTS Claim Form.
- 8.3.6 Interest and penalties assessed by taxing authorities that stem from the taxes, fees, and surcharges that utilities pay on behalf of their ULTS customers.
- 8.3.6.1 Any interest and penalties that clearly stem from the negligence of the utility shall not be reimbursed by the ULTS Fund.
- 8.3.6.2 The ULTSAC may determine whether, and to what extent, the interest and penalties assessed by a taxing authority should be reimbursed by the ULTS Fund.
- 8.3.7 Administrative and interest costs incurred to provide deferred-payment schedules for ULTS connection charges. Reimbursement for interest costs shall be based on (i) the 3-month commercial paper rate, and (ii) the assumption that all deferred payment are made on time.
- 8.3.8 The incremental costs incurred by a utility to provide toll-limitation services free of charge to its ULTS customers to the extent that such costs are not recovered from the federal Lifeline program. All utilities shall determine their total incremental costs in the manner prescribed by the Federal Communications Commission.
- 8.3.8.1 The ULTS Fund shall not reimburse a utility for the regular tariffed rates and charges of its toll limitation services.
- 8.3.9 Bad-debt costs equal to the lower of (i) the actual amount of the ULTS rates and charges that a ULTS customer fails to pay, plus the associated lost revenues that the utility may recover from the ULTS Fund, or (ii) the deposit for local residential service, of any, that the utility normally requires from non-ULTS customers.

- 8.3.9.1 Utilities must take reasonable steps to collect bad debt costs from ULTS customers before they seek to recover these costs from the ULTS Fund.
 - 8.3.10 The demonstrably incremental costs associated with the time spent by utility service reps to (i) notify residential customers about the availability of ULTS, (ii) ask residential customers if they are eligible to participate in the ULTS program, and (iii) obtain verbal certification from residential customers regarding their eligibility to participate in the ULTS program.
 - 8.3.11 The incremental costs incurred by a utility to develop, deploy, and operate systems and procedures associated with the provision of two ULTS lines to qualified low-income households with a disabled member.
 - 8.3.12 The lost revenues associated with the provision of a second ULTS line to a particular ULTS customer, with lost revenues equal to the difference between (i) the ULTS rates and charges paid by the customer, and (ii) the lower of (a) the utility's normal tariffed rates and charges for one residential line (i.e., the "first" residential line provided to the customer) plus the EUCL charge for the second line, or (b) the ILEC's regular tariffed rates and charges for one residential line (i.e., the first line) plus the EUCL charge for the second line.
- 8.4 Utilities shall neither claim nor recover from the ULTS Fund any of the following costs and lost revenues:
- 8.4.1 Advertising, marketing, and outreach costs.
 - 8.4.2 State 911 tax.
 - 8.4.3 Costs associated with non-ULTS services and activities, such as the costs associated with the sale of toll service, Caller ID, and voice mail to ULTS customers.
 - 8.4.4 Costs caused by the failure of ULTS customers to timely remit deferred payments of the ULTS connection charge, including costs for collecting on delinquent accounts and the time value of money. Utilities may recoup such cost via late-payment fees charged to ULTS customers who fail to timely remit deferred payments of the ULTS connection charge, but only to the extent that such costs are not recovered by utilities from other sources, such as the bad-debt costs built into a utility's general rates.
 - 8.4.5 Lost revenues caused by the failure of ULTS customers to pay late-payment fees that the utility assesses when ULTS customers fail to timely remit deferred payments of the ULTS connection charge.
 - 8.4.6 Costs associated with (i) processing ULTS service orders, and (ii) answering calls from ULTS customers about their bills.
 - 8.4.6.1 Costs associated with processing ULTS service orders and answering calls from ULTS customers regarding their bills may be recovered from the ULTS Fund to the extent that a utility can affirmatively demonstrate that such costs meet all of the criteria in Rule 8.2.1.

- 8.4.7 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 utilities are not required to provide under the ULTS program.
- 8.4.8 Any costs or lost revenues that the utility has recovered or will recover from other sources.
- 8.4.9 Any costs or lost revenues associated with the provision of non-ULTS lines to ULTS customers.
- 8.5 Schedule, Content, and Format of the ULTS Report and Claim Form.
 - 8.5.1 Utilities shall report and claim their ULTS-related costs and lost revenues by filing the ULTS Report and Claim Form (“ULTS Claim Form”) appended to this General Order.
 - 8.5.1.1 Claims must be accompanied by any supporting workpapers required by this General Order.
 - 8.5.2 Utilities shall file the ULTS Claim Form on a monthly basis unless a utility has obtained permission from TD to file the ULTS Claim Form on a biannual basis.
 - 8.5.3 Each ULTS Claim Form filed on a monthly basis shall be for a full month.
 - 8.5.3.1 Utilities that file ULTS Claim Forms on a monthly must also remit ULTS surcharge revenues on a monthly basis.
 - 8.5.4 Utilities may request permission from TD to file their ULTS Claim Forms on a biannual basis. The Commission and TD may specify and revise the conditions that utilities must meet in order to file their ULTS Claim Forms on a biannual basis.
 - 8.5.4.1 Utilities filing ULTS Claim Forms on a biannual basis must show a monthly breakdown of their claims on the ULTS Claim Form.
 - 8.5.4.2 Utilities shall not be paid interest on claims that are submitted on a biannual basis.
 - 8.5.4.3 Utilities that report and remit ULTS surcharges on a biannual basis must file ULTS Claim Forms on a biannual basis.
 - 8.5.5 Utilities must submit their ULTS Claim Forms to TD no later than 30 days after the close of the monthly or biannual period for which a claim is made.
- 8.6 Accessibility of ULTS Claim Information to the Public.
 - 8.6.1 Each utility shall make available upon request in its main California office copies of all ULTS Report and Claim Statements filed with the Commission in compliance with these rules.
- 8.7 Review and Approval of Claims.
 - 8.7.1 TD shall review ULTS claims submitted by utilities and forward its findings and recommendations to the ULTSAC. The ULTSAC shall review TD’s

findings and recommendations, and the ULTSAC shall determine whether, and to what extent, ULTS claims should be paid.

8.7.1.1 Claims submitted without proper supporting workpapers will be rejected.

8.7.1.2 The utility will be provided with an explanation for the rejection of all or part of a claim.

8.7.1.3 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 based on the three-month commercial paper rate.

8.8 Payment of Claims.

8.8.1 Claims shall be paid within 15 calendar days of the approval of such claims by the ULTSAC.

8.8.2 No payment will be made to a utility if there is not a sufficient amount in the ULTS Fund to pay approved claims.

8.8.3 No payment will be made to a utility that has not reported its ULTS surcharge revenues.

8.8.4 No payment will be made to a utility until all ULTS surcharge revenues due from the utility are remitted in full, along with interest on the late remittance based on an annual rate of 10%.

8.9 Interest on Claims.

8.9.1 The ULTS Fund shall pay interest to utilities on monthly and biannual ULTS claims that are both timely and legitimate if such claims are not paid 60 days after the due date for utilities to submit their claims. The interest paid to utilities shall be based on the 3-month commercial paper rate.

8.9.1.1 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 utility.

8.9.2 No interest shall be paid on (i) claims that are not submitted by the due date, or (ii) claim payments that are withheld from a utility due to a utility's failure to timely report or remit ULTS surcharge revenues.

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

8.10.1 Utilities shall not be reimbursed for ULTS claims that are filed more than two years after the claims are due.

8.10.2 Utilities that submit a timely claim shall have two years 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 two years from the deadline for submitting initial claims.

- 8.10.3 Interest shall be paid to, or received from, utilities that submit timely true-up claims. The rate of interest on true-up claims shall be based on the 3-month commercial paper rate.
 - 8.10.3.1 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 utility.
- 8.10.4 There is no time limit for utilities to submit true-up claims associated with taxes, fees, and surcharges.
- 8.11 Obligation to Support and Justify Claimed Costs and Lost Revenues.
 - 8.11.1 Utilities have the burden of supporting and justifying any costs and lost revenues that they seek to recover from the ULTS Fund.
 - 8.11.2 TD may require utilities to submit workpapers, documents, and other information to support their ULTS claims. TD 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 ULTS program.
 - 8.11.3 Utilities shall provide to the Commission or TD, upon request, documents, workpapers, records (to the extent that records exist) and other information regarding costs and lost revenues claimed by the utility. Failure to provide information requested by the Commission or TD is reasonable grounds to deny costs and lost revenues claimed by the utility.
- 8.12 Carriers of Last Resort (COLRs).
 - 8.12.1 COLRs may draw financial support from the CHCF-B for two ULTS lines provided to low-income households in designated high cost areas of the State. The amount that a COLR may draw from the CHCF-B for the second ULTS line provided to a particular ULTS customer shall be governed by the same terms and conditions that apply to the COLR’s draws from the CHCF-B for the first ULTS line provided to the ULTS customer.
 - 8.12.2 TD may require COLRs to submit workpapers and other information to support their CHCF-B claims for second ULTS lines. Failure to provide information requested by TD is reasonable grounds to deny recovery from the CHCF-B of amounts claimed by the COLR.
 - 8.12.3 TD and the CHCF-B Administrative Committee (CHCFBAC) may promulgate administrative procedures to govern the COLRs’ provision of two ULTS lines after providing notice and an opportunity to comment during public meetings of the CHCFBAC held in accordance with the Bagley-Keene Open Meeting Act (Gov. Code §11120 et seq.).

9 ULTS SURCHARGE RATE & SURCHARGE BILLING BASE

- 9.1 All carriers shall assess, collect, and remit the ULTS surcharge.
- 9.2 The current ULTS 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 (<ftp://ftp.cpuc.ca.gov/gopher-data/telecom/tranform.doc>).
- 9.3 The Commission shall set the ULTS surcharge rate based on the forecast of revenues subject to the surcharge and the funding requirements for the provision of ULTS to eligible customers, including ULTS marketing costs and program administrative costs.
 - 9.3.1 Effective July 1, 2001, the ULTS surcharge rate will be annually revised, if necessary, on July 1st of each year.
- 9.4 Schedule for Filing Revenues and Expense Forecasts.
 - 9.4.1 Each telecommunications carrier shall annually submit to TD an estimate of the carrier's projected gross revenues subject to the ULTS surcharge for the following year.
 - 9.4.2 Each utility shall annually submit to TD a forecast of the utility's ULTS claims for the following year.
 - 9.4.3 The ULTSAC shall annually submit its projected annual budget, including the ULTS Marketing Board's budget, to TD for inclusion in the surcharge calculation.
 - 9.4.4 If the information submitted to TD by the carriers, utilities, and the ULTSAC indicates that the ULTS surcharge rate should be revised, TD shall prepare for the Commission's consideration a resolution that adopts a revised ULTS surcharge rate.
 - 9.4.4.1 The resolution adopting the revised ULTS surcharge rate may also adopt an annual budget for the ULTSAC and the ULTSMB.
- 9.5 Surcharge Revenue Base.
 - 9.5.1 All end-user intrastate telecommunications services, whether tariffed or untariffed, are subject to the ULTS surcharge, except for the following services:
 - 9.5.1.1 ULTS billings.
 - 9.5.1.2 Charges to other certificated carriers for services that are to be resold.
 - 9.5.1.3 Coin sent paid telephone calls (coin in box) and debit card calls.
 - 9.5.1.4 Usage charges for coin-operated pay telephones.
 - 9.5.1.5 Customer-specific contracts effective before September 15, 1994.
 - 9.5.1.6 Directory advertising.
 - 9.5.1.7 One-way radio paging.

10 REPORTING AND REMITTANCE OF SURCHARGES

10.1 Surcharge Transmittal Form.

10.1.1 Every carrier shall report and remit ULTS surcharge revenues using the Surcharge Transmittal Form that is available on the Commission's website (<ftp://ftp.cpuc.ca.gov/gopher-data/telecom/tranform.doc>).

10.2 Surcharge Remittance Schedule and Procedures.

10.2.1 Carriers shall report and remit ULTS surcharge revenues on a monthly basis in accordance with the instructions attached to the Surcharge Transmittal Form (STF). The STF and the instructions attached to the STF are available as one document on the Commission's website (<ftp://ftp.cpuc.ca.gov/gopher-data/telecom/tranform.doc>).

10.2.2 Carriers may seek authority to submit the STF and remit ULTS surcharge revenues on a biannual basis in accordance with the instructions attached to the STF. Carriers that are granted such authority shall submit the STF and remit ULTS surcharge revenues in accordance with the instructions in the STF.

10.3 Method for Remitting and Reporting Surcharge Revenues.

10.3.1 Carriers shall report and remit their ULTS surcharge revenues based on intrastate end-user billings less estimated uncollectibles. Carriers shall true-up their estimated ULTS surcharge uncollectibles with their actual uncollectibles.

10.4 Interests on Late Surcharge Remittances.

10.4.1 Carriers that are late in remitting their ULTS 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.

10.5 Warning Notices on Late Surcharge Remittances.

10.5.1 TD shall send two written notices to any carrier that is late in remitting ULTS surcharge revenues. The notices shall warn the carrier that it will lose its Certificate of Public Convenience and Necessity if it fails to remit past-due surcharge revenues and associated interest.

10.6 Reporting of Surcharge Over/Under Collection or Remittance.

10.6.1 Each carrier shall report any under or over collection of the ULTS surcharge as soon as it becomes known to the carrier. Each carrier shall report any under or over remittance of ULTS surcharge monies as soon as it becomes known to the carrier.

10.7 Surcharge Workpapers.

10.7.1 TD may require carriers to submit workpapers, documents, and other information to support their surcharge remittances. TD 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 ULTS program.

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

11 USE OF ELECTRONIC COMMUNICATIONS

11.1 The Commission's website may be used as a means to provide carriers, utilities, and other parties with access to information regarding the ULTS program. Such information may include: this General Order, Commission decisions, resolutions, rulings, staff reports, letters, and other documents pertinent to the ULTS program.

11.2 TD may provide notice to carriers, utilities, and other parties of important matters regarding the ULTS program by mailing postcards or single-page notices 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.

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

11.3 TD and the ULTSAC may explore and implement ways to use electronic communications media to send and receive information and documents pertaining to the ULTS program. For example, TD may consider and implement the use of e-mail to (i) send notice of important matters regarding the ULTS program, (ii) receive the surcharge transmittal from carriers, and (iii) receive the ULTS Claim Form from utilities.

12 AUDITS AND RECORDS

12.1 The Commission, Commission staff, and agents of the Commission may audit carrier's remittance of ULTS surcharge revenues and utilities' ULTS claims.

12.2 The scope of audits shall be limited to five calendar years following the calendar year in which ULTS surcharge revenues are remitted or ULTS 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.

- 12.3 The ULTSAC shall authorize the ULTS Fund to promptly reimburse a utility for the underpayment of ULTS claims found by a Commission audit. Any underpayment of ULTS claims found by an audit shall accrue interest based on the 3-month commercial paper rate.
- 12.3.1 If a utility believes that the amount of reimbursement is too little, the utility may file an application with the Commission to seek additional reimbursement. Any additional reimbursement awarded by the Commission shall accrue interest based on the 3-month commercial paper rate.
- 12.4 Utilities that promptly reimburse the ULTS Fund for an overpayment of ULTS claims found by a Commission audit shall pay interest on the amount of overpayment based on the 3-month commercial paper rate, unless there is malfeasance on the part of the utility, in which case the rate of interest shall depend on the law and circumstances existing at the time the malfeasance is discovered.
- 12.5 The ULTSAC shall authorize the ULTS Fund to promptly reimburse a carrier for the over-remittance of ULTS surcharge revenues found by a Commission audit. Any over-remittance of ULTS surcharge revenues found by an audit shall accrue interest based on the 3-month commercial paper rate.
- 12.5.1 If a carrier 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 3-month commercial paper rate.
- 12.6 Any under-remittance of ULTS surcharge revenues found by a Commission audit shall accrue interest at a 10% annual rate, unless the under-remittance is due to carrier malfeasance, in which case, the rate of interest shall depend on the law and circumstances existing at the time the malfeasance is discovered.
- 12.7 If a carrier or utility does not promptly reimburse the ULTS Fund for an overpayment of ULTS claims or under-remittance of ULTS surcharge revenues that is discovered by an audit, then the Commission's Consumer Services Division shall prepare an order instituting investigation (OII) on whether the entity should be required to reimburse the ULTS Fund for some or all of the amount identified in the audit.
- 12.7.1 Any amount that a carrier is found to owe to the ULTS Fund as a result of the OII shall accrue interest at a 10% annual rate, unless the amount owed is due to malfeasance, in which case the rate of interest shall depend on the law and circumstances existing at the time the malfeasance is discovered.
- 12.7.2 Any amount that a utility is found to owe to the ULTS Fund as a result of the OII shall accrue interest based on the 3-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.

- 12.8 Carriers shall retain all records related to ULTS 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 carriers must retain for five calendar years include all records pertaining to intrastate billings and collections.
- 12.9 Utilities shall retain all records related to a ULTS claim, including a true-up claim, for a period of five calendar years following the year in which the ULTS 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 utilities must retain for five calendar years include (i) customer certification and re-certification forms, (ii) ULTS Claim Forms and workpapers supporting the claim forms, and (iii) other documents and information on which the ULTS Claim Forms and workpapers are based.

13 REQUESTS FOR WAIVER OF ULTS PROGRAM ADMINISTRATIVE REQUIREMENTS

- 13.1 Carriers and utilities 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 utilities must submit to support their ULTS claims, and (ii) the time limit for submitting ULTS claims.
- 13.2 Carriers and utilities may request a waiver by submitting a written waiver request to the Director of the TD and the members of the ULTSAC. The request must provide a thorough explanation for why the waiver is necessary.
- 13.3 The ULTSAC must consider and act on the waiver request in public meetings conducted in accordance with the Bagley-Keene Open Meeting Act (Gov. Code § 11120 et seq.).
 - 13.3.1 The ULTSAC may attach conditions when granting a waiver request.
 - 13.3.2 If a waiver involves the payment of money to or from a carrier or utility, the ULTSAC may determine what rate of interest, if any, should apply to the payment(s) subject to the waiver.

14 FUTURE REVISIONS TO THIS GENERAL ORDER

- 14.1 This General Order shall be continuously updated and revised to reflect the future needs of, and changes to, the ULTS program in accordance with the procedures in Appendix C of this General Order.

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Appendix A
Service Elements of ULTS

Universal Lifeline Telephone Service is composed of the service elements set forth below. All ULTS customers are entitled to receive every one of the service elements of ULTS, and every utility is required to offer all of the service elements of ULTS to each of its ULTS customers. The service elements of ULTS are as follows:

1. Access to (a) single party local exchange service, or (b) service that is equivalent, in all substantial respects, to single party local exchange service.
2. Access to all interexchange carriers offering service in the ULTS customer's local exchange.
3. Ability to place calls.
4. Ability to receive free unlimited incoming calls.
5. Free touch-tone dialing.
6. Free unlimited access to 911/E-911.
7. Access to local directory assistance (DA). Each utility shall offer to its ULTS customers the same number of free DA calls that the utility provides to its non-ULTS residential customers.
8. Access to foreign Numbering Plan Areas.
9. ULTS rates and charges.
10. Customer choice of flat-rate local service or measured-rate local service. The 17 smaller LECs identified in D.96-10-066 do not have to offer ULTS customers the choice of flat or measured-rate local service, unless the smaller LEC offers this option to its non-ULTS residential customers.
11. Free provision of one directory listing per year as provided for in D.96-02-072.
12. Free white pages telephone directory.
13. Access to operator service.
14. Voice grade connection to the public switched telephone network.
15. Free access to 800 or 800-like toll-free services.
16. One-time free blocking for information services and one-time billing adjustments for changes incurred inadvertently, mistakenly, or that were unauthorized.

17. Access to telephone relay services as provided for in Pub. Util. Code § 2881 et seq.
18. Toll-free access to customer service for information about ULTS, service activation, service termination, service repair, and bill inquiries.
19. Toll-free access to customer service representatives fluent in the same language (English and non-English) in which ULTS was originally sold.
20. Free access to toll-blocking service.
21. Free access to toll-control service, but only if (i) the utility is capable of offering toll-control service, and (ii) the ULTS customer has no unpaid bill for toll service.
22. Access to two residential telephone lines if a low-income household with a disabled person requires both lines to access ULTS.

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Appendix B
Certification Procedures for Two ULTS Lines

Utilities shall adhere to the procedures identified in the following matrices to certify customers' eligibility to receive two ULTS lines:

Matrix 1		
Existing ULTS Customer Applies for 2nd ULTS Line		
Does Customer Already Have Required Equipment from the Utility (e.g., TTY devise)?	Does Customer Already Subscribe to Required Service from the Utility (e.g., 3-way calling)?	Required Certification Procedures (see description of procedures in Matrix No. 4 below)
Yes	Yes	C, K, L, M
Yes	No	D, E, K, L, M
No	Yes	F, G, H, I, K, L, M
No	No	F, G, H, J, K, L, M

Matrix 2		
Non-ULTS Customer Applies for Two ULTS Lines		
Does Customer Already Have Required Equipment from the Utility (e.g., TTY devise)?	Does Customer Already Subscribe to Required Service from the Utility (e.g., 3-way calling)?	Required Certification Procedures (see description of procedures in Matrix No. 4 below)
Yes	Yes	B, K, L, M
Yes	No	A, D, E, K, L, M
No	Yes	A, F, G, H, I, K, L, M
No	No	A, F, G, H, J, K, L, M

Matrix 3 Customer with Required Equipment From non-DDTP Source Applies for Two ULTS Lines		
Does Customer Already Subscribe to ULTS?	Does Customer Already Subscribe to Required Service from Utility (e.g., 3-way calling)?	Required Certification Procedures (see description of procedures in Matrix No. 4 below)
Yes	Yes	C, F, G, K, L, M, N, O, P, Q
Yes	No	D, E, F, G, K, L, M, N, O, P, Q
No	Yes	B, F, G, K, L, M, N, O, P, Q
No	No	A, D, E, F, G, K, L, M, N, O, P, Q
Matrix 4 Description of Certification Procedures		
<u>Pro</u> <u>ced</u> <u>ure</u>	<u>Description</u>	
A.	Provide 1st ULTS line upon verbal telephone certification of eligibility to participate in ULTS program.	
B.	Provide 1st and 2nd ULTS line upon verbal telephone certification of eligibility to participate in ULTS program.	
C.	Immediately provide 2nd ULTS line.	
D.	Determine household size. If household has one member, provide required service (RS) as soon as possible. If household has two or more members, immediately provide 2nd ULTS line.	
E.	If household has one member, provide 2nd ULTS line concurrent with the provision of RS, or as soon as possible thereafter.	
F.	Provide customer with blank medical certificate.	
G.	Obtain completed medical certificate.	
H.	Provide customer with required equipment (RE).	
I.	Provide 2nd ULTS line concurrent with the provision of QE, or as soon as possible thereafter.	
J.	Determine household size. Provide 2nd ULTS line concurrent with, or as soon as possible thereafter, the following: (i) provision of RE if household has two or more members, or (ii) provision RE and RS if household has one member.	
K.	Provide customer with the self-certification form (SCF) applicable to two ULTS lines (Note: Form is necessary for households that were previously provided with RE since the disabled member of the household for whom the equipment was provided may have moved since the RE was provided).	

L.	Require customer to submit a signed SCF within 30 days.
M.	If customer does not return a signed SCF within 30 days, convert the 2nd ULTS line to normal service, and back bill the customer for prior ULTS discounts on the 2nd ULTS line.
N.	Provide customer with equipment self-certification form (E-SCF).
O.	Require customer to submit a signed E-SCF within 30 days.
P.	If the customer does not return a signed E-SCF within 30 days, convert 2nd ULTS line to normal service, and back bill for prior ULTS discounts on the 2nd ULTS line.
Q.	Require customer to submit signed medical certificate (MC) within 30 days. If customer does not return a signed MC within 30 days, convert 2nd ULTS line to normal service, and back bill for prior ULTS discounts on the 2nd ULTS line.

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Appendix C
Procedures for Updating and Revising GO 153**I. Procedures for Updating and Modifying GO 153 to Reflect Substantive Revisions to the ULTS Program**

- 1 Substantive changes to the ULTS program are ones that affect the following:
(i) the rates, terms, and conditions of ULTS offered to low-income customers;
(ii) the service elements of ULTS; (iii) the total amount of ULTS surcharge revenues remitted by carriers, and (iv) the amount and types of costs and lost revenues that utilities may recover from the ULTS Fund.
- 2 Substantive changes to the ULTS program may only be made by Commission decisions and resolutions, and only after parties have had notice and an opportunity to comment and/or request evidentiary hearings on proposed substantive changes. The Commission may initiate substantive changes on its own motion. Commission Staff may initiate substantive changes using the resolution process (e.g., annual resolutions revising the ULTS surcharge rate). Parties may initiate substantive changes by filing applications, petitions for modification, etc.
- 3 Utilities may recover from the ULTS Fund the reasonable costs they incur to implement substantive changes to the ULTS program to the extent that such costs are (i) incremental to the ULTS program , and (ii) not recovered from other sources (e.g., the rates charged to ULTS customers, federal subsidies, or the utility's general rates).
- 4 The Telecommunications Division (TD) shall be responsible for updating GO 153 to reflect substantive changes the ULTS program adopted by the Commission.
- 5 If the Commission issues a decision that adopts a substantive change to the ULTS program and revised text of GO 153 to implement the substantive change, then TD shall update the GO 153 posted on the Commission's website within 30 days of the effective date of the Commission decision adopting a specific revision to text of GO 153, unless some other time frame for updating GO 153 is specified in the decision. The General Order so modified by TD shall be the official GO 153 of the Commission that carriers, utilities, and other affected parties must comply with.

- 6 If the Commission issues a decision that adopts a substantive change to the ULTS program, but the decision does not adopt corresponding revisions to the text of GO 153, then TD shall update GO 153 to reflect the substantive change in accordance with the following procedure:
 - 6.1 TD shall prepare a draft resolution (DR) to revise GO 153 to reflect the substantive change to the ULTS program previously approved by the Commission. The DR shall include (i) specific language to be added to, or deleted from, GO 153; (ii) the effective date of proposed revision to GO 153 if no such date was specified in the Commission's decision; and (iii) which carriers, utilities, and/or customers, if any, should be notified of the revision to GO 153 that is ultimately adopted by TD.
 - 6.2 TD shall serve the DR on all parties that were served with the Commission order that adopted the underlying substantive change to the ULTS program, post the DR on TD's web page, and place a notice of the DR in the Commission's Daily Calendar. The notice that appears in the Daily Calendar should provide (i) a brief description of the DR, and (ii) information on how to: (a) obtain an electronic copy (e-copy) of the DR from TD's web page, (b) obtain a hard copy from TD, and (c) submit comments and reply comments on the DR.
 - 6.3 Parties shall have 20 days from the date that TD's DR appears in the Daily Calendar to file comments on the DR, and 15 days thereafter to file reply comments. The first page of parties' comments should include an e-mail address and phone number for requesting a copy of the comments.
 - 6.3.1 Comments and reply comments shall be served on the Director of TD and filed at the Commission's Docket Office in accordance with Article 2 of the Commission's Rules of Practice and Procedure (Rules). Both comments and reply comments should include a verification executed in accordance with Rule 2.4.
 - 6.3.2 Comments are public records open to public inspection, except as provided under GO 66-C.
 - 6.4 TD shall place a notice in the Daily Calendar of (i) any comments and reply comments, and (ii) the e-mail addresses and phone numbers for requesting copies of the comments. Parties shall promptly send a copy of their comments free of charge to anyone requesting a copy.

- 6.5 After receiving comments, TD shall modify its DR, as necessary, to reflect the comments. TD shall then submit its revised DR to the Commission for approval.
 - 6.5.1 If TD makes significant changes to its proposed revision to GO 153, TD may re-issue its DR for another round of public comments. TD may also withdraw its DR by placing notice of the withdrawal in the Daily Calendar.
- 6.6 Once the resolution is approved by the Commission, TD shall update the GO 153 posted on the Commission's website to incorporate the adopted revision.
 - 6.6.1 The General Order modified by TD shall be the official GO 153 of the Commission that carriers, utilities, and other affected parties must comply with.
- 6.7 TD shall send to every carrier and utility affected by the adopted revision to GO 153 a postcard or other written notice that briefly describes the adopted revision to GO 153 and provides information about (i) the effective date of the adopted revision to GO 153, (ii) any customer notice requirements associated with the adopted revision, and (iii) how to obtain an e-copy of the revised GO 153 from the Commission's website or a hard copy from TD.
- 6.8 Once TD's adopted revision to GO 153 has become final, parties may seek to modify or rescind the adopted revision in accordance with the provisions of Pub. Util. Code § 1708.5.

II. Procedures for Updating and Modifying GO 153 to Reflect Administrative Revisions to the ULTS Program

- 1 Administrative changes to the ULTS program are ones that affect the following: (i) carrier and utility reporting requirements; (ii) the procedures, forms, and timelines associated with carriers' remittance of ULTS surcharge revenues; (iii) the procedures, forms, and timelines associated with utilities' submittal of their ULTS claims; and (iv) any procedures or timelines associated with tasks performed by ULTS program administrators.
- 2 The Commission may revise ULTS program administrative procedures and requirements through Commission decisions and resolutions.
 - 2.1 TD shall update GO 153 to reflect any revisions to ULTS program administrative procedures and requirements adopted by the Commission. If the Commission adopts revised text for GO 153, TD shall update GO 153 to reflect the revised text. If the Commission does not adopt revised text for GO 153, then TD shall use the procedures set forth below to promulgate revised text for GO 153.
- 3 The Director of TD may use the following procedure to initiate revisions to ULTS program administrative procedures and requirements: (i) draft revised text for GO 153 to reflect the administrative revision; (ii) provide notice and an opportunity to comment on the revised text in accordance with Pub. Util. Code §1708.5(f); and (iii) submit the revised text to the ULTSAC. The ULTSAC shall provide notice and an opportunity to comment on the revised text during a public meeting of the Committee conducted in accordance with the Bagley-Keene Act. TD shall then (i) finalize the revised text of GO 153, as appropriate, to reflect any comments received pursuant to Pub. Util. Code §1708.5(f) or presented at the public meeting of the ULTSAC; (ii) submit the revised text to the Commission in the form of a resolution; and (iii) update GO 153 to reflect the text adopted by the Commission. The General Order so modified shall be the official GO 153 of the Commission that carriers, utilities, and other affected parties must comply with.
 - 3.1 The Director of TD shall send to every carrier and utility affected by the adopted administrative revision a postcard or other written notice that (1) briefly describes the new requirement, (2) state the effective date of the new requirement, and (3) state how to obtain an e-copy of the revised GO 153 from the Commission's website or a hardcopy from TD.
- 4 Utilities may recover from the ULTS Fund the reasonable costs they incur to implement new ULTS administrative requirements.

III. Procedures for Updating and Modifying GO 153 to Reflect Ministerial Revisions to the ULTS Program

- 1 Ministerial revisions to GO 153 require no exercise of Staff discretion and include the following: (i) updates of GO 153 to reflect the annual change to ULTS income eligibility levels; (ii) revisions of GO 153 to incorporate specific language approved in a Commission decision; (iii) revisions to GO 153 to incorporate specific provisions from newly-enacted legislation; and (iv) correction of errors (e.g., typos) in the General Order.
- 2 The Director of TD may make ministerial revisions to the GO 153 posted on the Commission's website at any time. The General Order so modified by TD shall be the official GO 153 of the Commission that carriers, utilities, and other affected parties must comply with.
- 3 Parties may request ministerial revisions to GO 153 by submitting a letter to the Director of TD. The Director shall place a notice of the letter in the Daily Calendar, along with instructions on how to obtain a copy of the letter from its author. Responses to the letter shall be due 20 days after notice of the letter appears in the Daily Calendar. The Director of TD shall place a notice in the Daily Calendar of his decision to accept or reject the proposed ministerial revision to GO 153.
- 4 TD shall provide those parties affected by a ministerial revision to GO 153 with notice of the revision. Except as described in the previous paragraph, there is no need for TD to provide notice of a ministerial revision to GO 153 if the revision has no effect on any party.
 - 4.1 The Director of TD shall determine whether, and to what extent, it is necessary to provide carriers, utilities, ULTS customers, or other parties with notice of a particular ministerial revision to GO 153.

General Order 153

Appendix D
ULTS Report and Claim Form

**UNIVERSAL LIFELINE TELEPHONE SERVICE PROGRAM
REPORT AND CLAIM FORM**

FOR THE PERIOD OF _____, 200__

ULTS ADMINISTRATIVE COMMITTEE
CALIFORNIA PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102

LOST REVENUE RECOVERY.*

1. CONNECTION CHARGES (NON RECURRING).
2. CONVERSION CHARGES (NON RECURRING).
3. ALLOWABLE RECOVERY MEASURED SVC.
4. ALLOWABLE RECOVERY FLAT RATE SVC.
5. FCC END USER CHARGES.
6. SURCHARGES:
 - A. BILL AND KEEP (1,2,3,4).
 - B. ALL OTHERS RATE CASE (1,2,3,4).
 - C. CHCF ,CTF, & DEAF/DISABLED (6A & 6B).
 - D. PUC USER FEE (1,2,3,4, 6A, 6B).
7. APPLICABLE TAXES:
 - A. FEDERAL EXCISE TAX.
 - B. LOCAL TAX.
8. OTHER CUSTOMER CHARGES (SPECIFY).
9. TRUE-UP OF FEDERAL SUPPORT.
10. USAC ROUNDING REVENUE EFFECT.
11. TOTAL UNRECOVERED REVENUE.

OPERATING EXPENSE RECOVERY.*

13. DATA PROCESSING EXPENSE.
14. CUSTOMER NOTIFICATION EXPENSE.
15. ACCOUNTING EXPENSE.
16. LEGAL EXPENSE.
17. TOLL LIMITATION EXPENSE.
18. DEFERRED PAYMENT SCHEDULE COSTS:
 - a. Interest costs.
 - b. Administrative costs
 - c. Total Deferred Payment costs (a + b)
19. SERVICE REPRESENTATIVE COSTS.
20. BAD DEBT COSTS.
21. OTHER EXPENSES, TRUE UPS, and CREDITS.
22. TOTAL OPERATING EXPENSES CLAIMED.
23. TRUE UP OF FEDERAL SUPPORT.

23. TOTAL CLAIMS (LNS 11+22+23).*

*** Claimed amounts should be net of the subsidies, if any, that the ULTS provider expects to receive from the federal Lifeline and Link-up programs.**

UNIVERSAL LIFELINE TELEPHONE SERVICE
REPORT AND CLAIM FORM

Page 2

NUMBER OF NEW ULTS SERVICE CONNECTIONS

FLAT RATE _____

MEASURED _____

TOTAL _____

NUMBER OF ULTS SUBSCRIBERS

FLAT RATE _____

MEASURED _____

TOTAL _____

I hereby certify that this claim, including any accompanying schedules, statements, and workpapers have been examined by me and to the best of my knowledge and belief is a true, correct and complete claim.

Signature _____

Preparer _____

Company _____

Phone _____

Title _____

Date _____

CPUC ID # U- _____

Rev 12/31/1999

**Instructions for the
Universal Lifeline Telephone Service (ULTS)
Report and Claim Form**

- 1.** Utilities shall submit the Report and Claim Form (“ULTS Claim Form”) no later than 30 days after the close of the monthly or biannual period for which a claim is made. If the 30th day falls on a weekend or holiday, the ULTS Claim Form shall be submitted on the next business day. The ULTS Claim Form must be submitted to the Telecommunications Division. Any ULTS Claim Forms received after the 30-day deadline will be processed during the next claim period.
- 2.** Utilities have the burden of supporting and justifying any costs they claim. Workpapers should be provided for all claimed costs. Such workpapers must be unambiguous and show how all claimed items on the Claim Form were derived. Failure to provide supporting workpapers for all claimed items will constitute reasonable grounds for rejection of such claims.
- 3.** Utilities may only claim those costs and lost revenues identified in the body of General Order (GO) 153. Utilities shall not claim any costs or lost revenues that are prohibited by GO 153.
- 4.** Utilities must report costs and lost revenues that they seek to recover from ULTS program in accordance with the instructions set forth in GO 153. Utilities shall not be reimbursed for costs and lost revenues that are not reported in the manner prescribed by GO 153.
- 5.** Claims shall be reported to the nearest cent. The Universal Service Administrative Corporation (USAC), which administers the federal lifeline support program, requires eligible utilities to round off the amounts of claims for federal support to the nearest dollar in the USAC claim form. Therefore, utilities that file claims with the ULTS Trust Fund shall adjust their ULTS claims accordingly to reflect the over or under-collection of lifeline support from the federal program that may result from the USAC required rounding scheme.
- 6.** Utilities shall report on the ULTS Claim Form the weighted-average number of ULTS customers served by the utility during the period covered by the Claim Form. In calculating the weighted average, the “weight” of each ULTS customer shall be based on the number of days the customer was provided ULTS during the period covered by the ULTS Claim Form. The number of ULTS customers served by the utility shall be broken down into measured-rate local service and flat-rate local service.
- 7.** Utilities shall report on the ULTS Claim Form the number of new ULTS service connections for the period covered by the Claim form, broken down into new connections for measured-rate local service and flat-rate local service.

APPENDIX C

**ADOPTED CHARTER OF THE
ULTS TRUST ADMINISTRATIVE COMMITTEE**

CHARTER

of the

UNIVERSAL LIFELINE TELEPHONE SERVICE
TRUST ADMINISTRATIVE COMMITTEEI. NAME

The name of the committee shall be the Universal Lifeline Telephone Service Trust Administrative Committee (“the Committee”).

II. PURPOSE

The Committee’s purpose is to function, in connection with the Moore Universal Telephone Service Act, as an administrative committee under the supervision and control of the California Public Utilities Commission (“the Commission”), pursuant to Decision No. 87-10-088 of the Commission, and pursuant to the Universal Lifeline Telephone Services Trust Agreement, dated February 1, 1988, as it may be amended and restated from time to time (“the ULTS Trust” or “the Trust”).

III. MEMBERSHIP

A. Members. The Committee shall be comprised of five members: the Directors of the Commission’s Consumer Services Division, the Office of Ratepayer Advocates, and the Legal Division, or their designees; and two members chosen from consumer organizations and/or other State agencies.

B. Selection. Members shall be nominated by the organizations or constituencies they are to represent. Selection and approval of members shall be by the Commission’s Executive Director, in accordance with procedures adopted by the Commission.

C. Terms of Appointments. A member shall hold office until a successor has been appointed and has assumed office.

D. Removal. Any member of the Committee may be removed at any time by the Commission or the Executive Director, for cause shown, in accordance with procedures adopted by the Commission. A majority of Committee members may recommend removal of a member upon demonstration of reasonable cause; provided, however, that reasonable cause may not include any policy position taken by a Committee member. The Commission or the Executive Director must approve the Committee’s recommendation to remove any Committee member.

E. Vacancies. The organizations or constituencies whose seat is vacated shall nominate individuals to fill that vacancy, and the selection and approval of the individual to fill that vacancy shall be made by the Commission’s Executive Director. If the Committee is unable

to identify a suitable candidate to fill the vacancy for any reason, the Commission may appoint a member of the class from which the vacancy occurs.

F. Indemnification. Members of the Committee who are not staff members of the CPUC or other state agencies are uncompensated servants of the State of California within the meaning of Section 810.2 of the Government Code. Accordingly, the State will indemnify Committee members as it indemnifies its compensated employees and will provide them with representation for their acts done within the course and scope of the services they perform for the Committee, pursuant to Government Code Sections 825-825.6 and 995- 996.6. The Committee budget may be used to purchase errors and omissions (E&O) or similar insurance to indemnify the Committee members for acts done within the course and scope of services performed for the Committee, to the extent that such activities are held not to be indemnified by the State under Government Code Sections 810.2, 825- 825.6 and/or 995-996.6.

G. Expenses. Members of the Committee shall be entitled to reimbursement of reasonable expenses incurred in connection with their service on the Committee and may be entitled to per diem allowances as determined by the CPUC. Pursuant to D.97-12-105, Ordering Paragraph 51, qualifying members of the ULTS Trust Administrative Committee shall receive a per diem of \$300 for each day of meetings and \$200 if the meeting lasts less than approximately 2 hours. There shall be no per diem for preparation work; and there shall be no per diem or expense reimbursement related to meetings of any subcommittees of the ULTS Trust Administrative Committee. The ULTS Trust Administrative Committee shall not provide per diem or expense reimbursement to board members who are employees of California State Governmental Agencies. For each ULTS Trust Administrative Committee member who is an employee of a non state governmental agency, trade association or consumer group, payments for per diem and expense reimbursement related to the member's participation in the ULTS Trust Administrative Committee shall go to the member's employer unless the member can show justification for receiving these monies directly. ULTS Trust Administrative Committee members shall not be eligible to receive intervenor compensation pursuant to PU code Section 1801 et seq., for their work related to the Committee. The payment of expense reimbursement to members of the Committee shall comply with the standards set forth in Commission Resolution F-621, dated November 9, 1988, and in D.97-12-105. Claims for per diem and expense reimbursement shall be approved by a program manager or equivalent level in the Commission's Telecommunications Division. The ULTS Trust Administrative Committee shall take the necessary steps to make the actual payments for per diem or expense reimbursement using monies from the ULTS Trust.

IV. DUTIES AND RESPONSIBILITIES

The Committee shall have the following duties and responsibilities. While in the performance of these duties and responsibilities, the Committee members are at all times subject to the direction, control and approval of the Commission. The Commission has all policy and

program decisionmaking authority. The Committee shall act in an advisory capacity to the Commission.

1. With respect to the receipt of surcharges from telephone companies: (a) maintain records, on a monthly basis, of the amount of surcharges transmitted by telephone companies; (b) notify the Commission of any company which is delinquent. All other duties in connection with the receipt of surcharges are the responsibility of the staff of the Commission.

2. With respect to the payment of claims submitted by telephone companies: (a) pay company claims which are approved by the Commission staff; (b) approve and pay administrative expenses of the Committee; (c) provide monthly receipts and expenditures reports to the Commission. All other duties in connection with the approval and payment of claims are the responsibility of the staff of the Commission.

3. Subject to direction by the Commission and in consultation with the Trustee, the Committee shall determine an investment policy for the assets of the Trust, taking into account the Trust's short-term and long-term financial needs, select an investment advisor, and review the investment performance of the Trust.

4. Recommend surcharge rate changes to the Commission.

5. Investigate and evaluate policy and operational issues pertaining to the Committee's administration of the Moore Universal Telephone Service Act.

6. Initiate recommendations to the Commission for changes in the administration of the Moore Universal Telephone Service Act.

7. Shall not make decisions with respect to ULTS program changes without Commission approval. May make decisions with respect to the Committee's administrative function that do not have significant policy or budgetary implications unless the majority of the Committee decides to refer such proposed changes to the Commission for decision. The Committee shall maintain a record of any administrative changes that it initiates, and it shall notify the Commission's Executive Director of such changes.

8. Perform the functions set forth in the Universal Lifeline Telephone Service Trust Agreement.

9. The ULTS Trust Administrative Committee shall comply with the State's contracting and procurement rules, and keep records sufficient to demonstrate its compliance with these rules.

10. Prepare and submit to the Commission an annual budget for the Committee; during the time that the Commission is considering approval of the proposed budget, the Committee shall act in accordance with its existing budget as though it had been extended for another year. Prepare and submit supplemental budget requests to the Commission if such requests are necessary adequately to fulfill the duties of the Committee.

11. To the extent not performed by other State agencies or bodies, obtain an annual audit of the ULTS Trust Fund by a firm of independent certified public accounts. The audit should include an examination of the veracity and accuracy of claims for per diem and expense reimbursement by ULTSMB members.

12. File an annual report with the Commission.

13. The ULTS Trust Administrative Committee shall take the steps necessary to use monies held by the ULTS Trust to make the payments required by the contracts entered into by the ULTSMB. To initiate a payment by the ULTS Trust Administrative Committee, the ULTSMB shall provide the ULTS Trust Committee with payment vouchers that contain sufficient information for the ULTS Trust Administrative Committee to make the payment. All payment vouchers shall be signed by a majority of the ULTSMB's members. The ULTS Trust Administrative Committee shall keep a record of all its payments made pursuant to the vouchers.

14. Perform such other duties as may from time to time be imposed on it by the Commission in connection with the administration of the Moore Universal Telephone Service Act.

While the Committee shall have the power and authority to carry out the foregoing duties, it shall not have the authority to direct utilities to act or refrain from acting. Such authority shall remain solely with the Commission.

V. CONFLICT OF INTEREST RULES

Conflict of Interest Rules. Until affirmed as the final rules or modified by CPUC order, the Committee shall comply with the Fair Political Practices Commission Conflict of Interest Code, 2 Cal. Code of Regulations, Section 18730. For purposes of applying these rules, all voting members of the Committee shall be defined as "designated employees" required to disclose the following "economic interests":

Any investment or business position in, or income from, any of the following:

1. An entity seeking to provide any product or service related to the Committee's function or that has plans to come before the Committee to seek funds from the monies under the control of this group.
2. A parent or a subsidiary of an entity described in subsection (1).

VI. MEETINGS

A. General. The Committee shall act only in the course of a duly noticed meeting. The Committee shall meet monthly. Notification of the date, place, and time of each meeting shall be given to each member and shall be published as required by the Bagley-Keene Open Meeting Act and in the Commission's Daily Calendar at least ten (10) calendar days in

advance of the meeting. Unless another location is stated in the notice, meetings shall be at the Public Utilities Commission Building in San Francisco. Notice will include the name, address, and telephone number of a person who can provide additional information prior to the meeting, as well as a brief, general description of the business to be transacted by the Committee. No item will be added to the agenda after notice is published. The notice will highlight important pending decisions, including those to be sent to the Commission for approval.

B. Open Meetings. All meetings shall be open to the public and shall be held in accordance with the provisions of the Bagley-Keene Open Meeting Act in Government Code Sections 11120 et seq. A copy of that Act shall be given to every existing and new member of this Committee.

C. Quorum and Teleconferencing. A majority of the members of the Committee in office shall constitute a quorum for the transaction of business. The members may be present in person or by conference telephone to the extent consistent with state law regarding open meetings, so long as the place of the meeting is open to attendance by the public and so long as the following requirements are met in a way that is consistent with Government Code Section 11123:

- (a) All meetings of a state body shall be open and public and all persons shall be permitted to attend any meeting of a state body except as otherwise provided in this article.
- (b)(1) Nothing in Chapter 1, Article 9 of the Government Code shall be construed to prohibit a state body from holding an open or closed meeting by teleconference if the convening at one location of a quorum of the state body is difficult or impossible, subject to all of the following:
 - (A) The teleconferencing meeting shall comply with all requirements of this article applicable to other meetings.
 - (B) The portion of the teleconferenced meeting that is required to be open to the public shall be audible to the public at the location specified in the notice of the meeting.
 - (C) Each teleconference location shall be identified in the notice of the meeting and shall be accessible to the public.
 - (D) All votes taken during a teleconferenced meeting shall be by rollcall.
 - (E) The portion of the teleconferenced meeting that is closed to the public may not include the consideration of any agenda item being heard pursuant to Section 11125.5 of the Government Code.
 - (F) At least one member of the state body shall be physically present at the location specified in the notice of the meeting.

D. Public Participation. The Committee will provide an opportunity for members of the public to address the Committee directly on each agenda item before or during the Committee's discussion or consideration of the item. The Committee will provide a sign-up sheet for members of the public who wish to address the Committee. Copies of the Committee's public documents that are subject to the Public Records Act may be requested from the Committee. The sign-up sheet will be available prior to the commencement of the public meeting and will provide space for the name of the member of the public wishing to address the Committee, whom the individual represents, and the agenda item to be addressed. The Committee shall make its best efforts to recognize the public members during the appropriate comment periods at each meeting, consistent with the Committee's obligation to conduct business in an orderly manner.

VII. OFFICERS

A. Two Officers. The Committee shall have two officers, a Chairperson and a Vice-Chairperson, who shall be elected by the members. The officers shall be elected to serve a term of one year, and they may be re-elected. An officer shall continue to hold office until a successor has been elected and assumed office.

B. Duties. The Chairperson shall be the executive officer of the Committee and shall have the general supervision and direction of the affairs of the Committee. The Chairperson shall preside at all meetings of the Committee. In the absence of the Chairperson, the Vice-Chairperson shall perform the duties of that office. The officers shall perform such other duties as from time to time may be prescribed by the Committee.

VIII. RECORDS

The Committee will record and prepare written minutes of Committee meetings. A tape recording of the meetings may be made. The member assigned to the task of preparing the written minutes will submit them to the Committee at its next meeting for review and approval. Written minutes will: (a) identify the date, time, and place of the meeting; (b) identify the Committee members in attendance, and (c) contain a summary of Committee actions and consensus agreements. Copies of minutes shall be provided to the CPUC or any interested party upon request. The Committee will maintain records of all decisions made by the Committee, all contracts entered into by the Committee, and all per diem and expenses paid out by the program funds to Committee members.

IX. COMMITTEE DECISIONS

Each voting member present shall have one vote. Decisions shall be made by majority vote of those voting members present as long as a quorum is present at the time of the vote.

X. PROHIBITION ON PROXIES

Only individuals appointed as members may serve as members of the Committee. No alternate, substitute or proxy representation of Committee members may occur.

XI. EFFECTIVE DATE AND AMENDMENTS

This Charter was approved by the Commission in its final decision issued in Rulemaking 98-09-005. This charter shall become effective on the date it is executed by the members of the Committee.

This Charter may be amended by vote of the majority of the members of the Committee, but no amendment shall be effective until approved by the Commission.

This Charter is executed on _____, 2000.

Member

Member

Member

Member

Member

(END OF APPENDIX C)

APPENDIX D

**NOTICE OF AVAILABILITY OF THE COMMISSION'S
FINAL DECISION IN R.98-09-005**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Consider
Modifications to the Commission's Universal
Lifeline Telephone Service Program and
Revisions to General Order No. 153.

FILED
PUBLIC UTILITIES
COMMISSION
SEPTEMBER 3, 1998
SAN FRANCISCO OFFICE
RULEMAKING 98-09-005

**NOTICE OF AVAILABILITY OF THE COMMISSION'S
FINAL DECISION IN R.98-09-005
REGARDING MODIFICATIONS TO THE ULTS PROGRAM AND
GENERAL ORDER 153**

This is to notify you that the Commission's final decision in Rulemaking (R.) 98-09-005 is available for viewing and downloading from the Commission's web site (www.cpuc.ca.gov). Parties may also obtain a hardcopy of the order by contacting the Commission's Central Files Office [(415) 703-2045].

The decision affects all intrastate telecommunications carriers in California, particularly those carriers providing Universal Lifeline Telephone Service (ULTS) to qualifying low-income households. All carriers and providers of ULTS are advised to obtain and review a copy of the decision. Any questions regarding the decision may be directed to Joseph Abhulimen of the Commission's Telecommunications Division. Mr. Abhulimen may be contacted by calling 1-415-703-1458, or by e-mail at JAA@cpuc.ca.gov.

(END OF APPENDIX D)

APPENDIX E

ADOPTED SURCHARGE TRANSMITTAL FORM

**COMBINED CALIFORNIA PUC
TELEPHONE SURCHARGE TRANSMITTAL**

MONTH ENDED _____/_____
(MM) (YYYY)

SIX-MONTH ENDED _____/_____
(6, 12) (YYYY)

Carrier Name: _____

Utility Identification Number: _____ or _____ check here, if application/registration pending.

1. Total Intrastate end-user billings subject to surcharge for the period: \$_____

2. UNIVERSAL LIFELINE TELEPHONE SERVICE PROGRAM (ULTS)

	+ / (-)		+		=	
Surcharge Amount Due		Adjustments		Interest/Penalty		Total

Make check payable to ULTS. Send check and a signed copy of this form to: Bank Of America NA, Mail Code CA 9-703-18-02, a/c# 66-01-100-8446565 ULTS, 333 S. Beaudry Avenue, Los Angeles, CA. 90017-1466.

3. CALIFORNIA RELAY SERVICE AND COMMUNICATIONS DEVICE FUND (CRS/CDF)

<div style="display: flex; justify-content: space-between; align-items: center;"> <div> <div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="display: flex; justify-content: space-between;"> Surcharge Amount Due Adjustments Interest/Penalty Total </div> </div> <div style="display: flex; align-items: center; justify-content: center; gap: 10px;"> +/(-) + = </div> </div>	
--	--

Make check payable to DEAF Trust. Send check and a signed copy of this form to: Bank Of America NA, Mail Code CA 9-703-18-02, a/c#66-01-100-5219780 DEAF, 333 S. Beaudry Avenue, Los Angeles, CA. 90017-1466

4. CALIFORNIA HIGH COST FUND A (CHCF-A)

<div style="display: flex; justify-content: space-between; align-items: center;"> <div> <div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="display: flex; justify-content: space-between;"> Surcharge Amount Due Adjustments Interest/Penalty Total </div> </div> <div style="text-align: center; margin-top: 10px;"> <div style="display: flex; justify-content: space-between; align-items: center;"> <div> <div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="display: flex; justify-content: space-between;"> +/(-) </div> </div> <div style="font-size: 2em; margin: 0 10px;">+</div> <div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="font-size: 2em; margin: 0 10px;">=</div> <div style="border-bottom: 1px solid black; width: 100%;"></div> </div> </div> </div>	
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Make check payable to CHCF-A. Send check and a signed copy of this form to: California Public Utilities Commission, Telecommunications Division, Public Programs Branch, 505 Van Ness Avenue, San Francisco, CA 94102

5. CALIFORNIA HIGH COST FUND B (CHCF-B)

<div style="display: flex; justify-content: space-between; align-items: center;"> <div> <div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="display: flex; justify-content: space-between;"> Surcharge Amount Due Adjustments Interest/Penalty Total </div> </div> <div style="text-align: right; margin-top: 5px;"> + / (-) + = </div> </div>	
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Make check payable to CHCF-B. Send check and a signed copy of this form to: California High Cost Fund-B, File No. 73755, PO Box 60000, San Francisco, CA 94160-3755.

6. CALIFORNIA TELECONNECT FUND (CTF)

Surcharge Amount Due	+ / (-)	Adjustments	+	Interest/Penalty	=	Total
----------------------	---------	-------------	---	------------------	---	-------

Make check payable to CTF. Send check and a signed copy of this form to: California Teleconnect Fund, PO Box 45254, CA 94145-9852.

I hereby certify that this return, including accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete return.

SIGNATURE _____ DATE _____ TELEPHONE NUMBER _____ EXT. _____

Typed Name _____ Title _____

Name of Reporting Agent if not carrier: _____

Street _____

City _____ State _____ Zip Code _____

SEND A SIGNED COPY OF THIS FORM TO:

CALIFORNIA PUBLIC UTILITIES COMMISSION
PUBLIC PROGRAMS BRANCH, TELECOMMUNICATIONS DIVISION
505 VAN NESS AVE
SAN FRANCISCO, CA 94102

TRUST OFFICE USE ONLY

INPUT DATE _____
STATEMENT DATE _____
BY _____

**INSTRUCTIONS
FOR
THE COMBINED CALIFORNIA PUC TELEPHONE SURCHARGE TRANSMITTAL**

Background

1. All telecommunications carriers (carriers) authorized by the California Public Utilities Commission (CPUC or Commission) to operate in California are required to assess surcharges on their end-users and to remit the monies so collected in accordance with the directions of the Commission. A description of the telecommunications programs funded by these surcharges and historical surcharge rates since inception of the programs are available in the Telecommunications Division's Telecommunications Surcharges, Taxes and Form web-page at the Commission's web site (www.cpuc.ca.gov/telecommunications/taxsur.htm).
2. Carriers must assess the surcharges on all of their billings for intrastate telecommunications services except for the following:
 - a. discounted services under the Universal Lifeline Telephone Service (ULTS) program;
 - b. charges to other carriers for resale purposes;
 - c. public phone coin in box and telephone debit cards;
 - d. contracts effective before 9/15/94;
 - e. usage charges to coin operated pay telephones;
 - f. sale and/or lease of customer premises equipment;
 - g. directory advertising; and
 - h. one-way radio paging.
3. Carriers shall report and remit surcharges using a Combined California PUC Telephone Surcharge Transmittal form (Transmittal Form). These instructions and the Transmittal Form will be revised periodically as necessary. A current copy of these instructions and the Transmittal Form are available in the Telecommunications Division's Telecommunications Surcharges, Taxes and Form web-page at the Commission's web site.
4. Carriers should file the Transmittal Form even if the amount due is zero.

Reporting and Remitting the Surcharges

5. All carriers must report and remit surcharges on a monthly basis, except for those that bill a *de minimis* amount of surcharges (the *de minimis* rule). The *de minimis* rule permits a carrier to report and remit all surcharges semi-annually on a cumulative basis covering a six-month period from January through June and from July through December. The *de minimis* rule applies to carriers whose average intrastate billings subject to surcharge are equal to or less than \$10,000 a month. Carriers that meet this criteria and wish to report and remit surcharges semi-annually must send a letter that includes: the carrier's legal name, the 4-digit utility identification number assigned by the Commission, and a statement to the fact that the average intrastate billings subject to surcharge are equal to or less than \$10,000 per month. For semi-annual reporting that begins in January, the letter must be sent prior to the date the January Transmittal Form is due. Similarly, for semi-annual reporting that begins in July, the letter must be sent prior to the date the July Transmittal Form is due. The letter should be addressed to:

California Public Utilities Commission
Public Programs Branch, Telecommunications Division
505 Van Ness Ave
San Francisco, CA 94102

6. In the event that the total intrastate billings subject to surcharge exceeds \$60,000 for carriers reporting under the *de minimis* rule, the carrier must revert to the monthly reporting for all subsequent periods.

7. Carriers shall report all surcharges to the Commission using one Transmittal Form. The total intrastate billings subject to surcharge, i.e. line 1 in the Transmittal Form, must be filled in. For each of the telecommunications programs, i.e. line 2, line 3, and so on, the Surcharge Amount Due should include surcharges billed for the reporting period less estimated uncollectibles. If the surcharge amount due is less than one dollar (\$1), enter zero (\$0). Any adjustments that are not reflected in the billings should be distinctively identified in the Adjustments. These adjustments may include, but are not limited to, prior period adjustments, accounting adjustments, etc.

8. The Transmittal Form must be filed and surcharge monies must be remitted, i.e. postmarked or electronically posted, no later than the 10th day of the second month, i.e. approximately 40 days, following the close of the reporting period. Carriers that file the Transmittal Form and/or remit the surcharge monies after the due date must include a penalty equal to an annual rate of 10%. The penalty is to be assessed on the surcharge amount due, including any adjustments, starting from the 41st day after the close of the reporting period to the date that the Transmittal Form is filed or surcharge monies are remitted, whichever is later.

9. Remittances may be made by check. If remittance is by check, the checks should be made payable to the appropriate program or fund. Depending on the program or fund, it may be possible to make electronic remittances by (i) Automated Clearing House (ACH) credit transfers, or (ii) wire transfers. Prior approval is necessary for remittance by ACH or wire transfer. For more information on the availability of electronic remittances, and to obtain approval for electronic remittance, please call the Universal Lifeline Telephone Service Program at 1 510-452-2757; the California Relay Service and Communications Device Fund at 510-302-1100; and the California High Cost Fund-A, the California High Cost Fund-B, and the California Teleconnect Fund at call 415-703-1638.

10. A signed copy of the Transmittal Form must be filed with the Commission at the following address:

California Public Utilities Commission
Telecommunications Division, Public Programs Branch
505 Van Ness Ave
San Francisco, CA 94102

The Transmittal Form should be mailed on the same date that the funds are remitted. Carriers utilizing the Electronic Filing (EF) program in reporting surcharges to the Commission are not required to file the Transmittal Form with the Commission; but a signed copy of the Transmittal Form and the check must be mailed together to the banks.

11. Carriers are encouraged to use the EF program at <http://TELSQL1.cpuc.ca.gov> to report surcharges. The EF program is an Internet-based program allowing carriers to maintain regulatory contact information, report surcharges, and report PUC Utility Reimbursement Account activities online. A copy of the EF Program User Manual is available at the same web-site. Carriers may direct their questions regarding this program by e-mail to telcofiling@cpuc.ca.gov.

Verification and Revocation of Certificate of Public Convenience and Necessity

12. All Transmittal Forms are subject to audit verification by the Commission or Commission designee(s). Carriers should remit surcharges for each of the public programs identified in the Surcharge Table below. Carriers that are 90 days or more in arrears on reporting and remitting surcharges may be subject to revocation of their authority to operate in California.

Surcharges Rates from February 1, 1997, to Present

Surcharge Table *					
<u>Effective Period</u>	<u>ULTS</u>	<u>CRS/CDF</u>	<u>CHCF-A</u>	<u>CHCF-B</u>	<u>CTF</u>
Effective	0.500%	0.192%	0.000%	2.600%	0.050%
01/01/2000					
01/01/99 to	0.000%	0.192%	0.000%	3.800%	0.050%
12/31/99					
08/01/98 to	2.400%	0.250%	0.000%	2.870%	0.050%
12/31/98					
01/01/98 to	2.400%	0.250%	0.000%	2.870%	0.410%
08/01/98					
02/01/97 to	3.200%	0.360%	0.000%	2.870%	0.410%
12/31/97					
* This table will be revised periodically to reflect the appropriate public programs and their applicable surcharge rates as adopted by the Commission.					

END

(End of Appendix E)