



# CALIFORNIA TELECONNECT FUND SERVICE PROVIDER MANUAL

California Public Utilities Commission  
Communications Division  
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# 1. Introduction

This manual is a guide for telecommunication carriers and other communication service providers to participate in the California Teleconnect Fund Program (CTF Program). The contents include important information, instructions, and forms for service providers to commence and continue participation in the program.

A list of authorities and references is available at Appendix A. A glossary of the important terms and phrases is available at Appendix B.

## 2. Program Overview

The California Public Utilities Commission (CPUC or Commission) implemented the CTF in 1996 pursuant to Public Utilities Code § 280(a). Decision 96-10-066 created the CTF Program to promote innovation in the delivery and use of advanced communication services, encourage the diversity of choices among services and providers, and ensure for affordable and widespread access to California's broadband networks and technology. CTF aims to bring every Californian direct access to advanced communications services in their local communities, particularly those with lower rates of internet adoption and greater financial need.

The CTF Program enables discounts on advanced communications services to approved participants, including: schools, libraries, hospitals, health clinics, community colleges, 2-1-1 referral providers, and community-based organizations (CBOs). Participants receive a 50 percent discount on monthly recurring charges of eligible services. Service providers apply the discount within participants' monthly bills, then submit claims for reimbursement to the CPUC Communications Division.<sup>1</sup>

The CTF Program is funded by California ratepayers through a surcharge assessed on revenues collected by telecommunications companies for intrastate telecommunications products and services.

The CPUC Communications Division manages the CTF in coordination with the CTF Administrative Committee. The Communications Division administers the program, which includes processing applications, processing claims for reimbursement from carriers, preparing annual budgets, proposing changes to the surcharge, and other day-to-day administration tasks. The CTF Administrative Committee advises the CPUC regarding the development, implementation, and administration of the program.

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<sup>1</sup> The CTF program will only approve payment of claims for reimbursement filed by companies that have a Certificate of Public Convenience and Necessity. However, service providers that do not have a Certificate of Public Convenience and Necessity can still participate in the CTF program if they partner with a company with a Certificate of Public Convenience and Necessity. Refer to Chapter 4 and Chapter ^ Section E for more information.

### 3. Role of Service Providers

Service providers are vital to the success of the CTF Program. They play an important role as the conduit through which the CTF Program delivers benefits to Californians. Service providers apply the CTF discount to participants' monthly bills for eligible advanced communication services. Then, service providers submit claims for reimbursement to the CPUC Communications Division to recoup the CTF discounts given to participants.<sup>2</sup> Service providers also make information on the CTF Program available to the public and submit data to the CPUC Communications Division on a regular basis.

Service providers can provide their customers with information on the CTF Program by referencing the [Applicant & Participant Guidebook](#), which contains application forms and instructions

### 4. How to Participate

Service providers must obtain approval from the CTF Program prior to offering discounts and submitting claims for reimbursement. To obtain approval, a service provider must:

1. Submit a response to the [CTF Service Provider Registration Form](#) (Data Request No.001) to [CTFClaims@cpuc.ca.gov](mailto:CTFClaims@cpuc.ca.gov).
2. Maintain a public webpage (on the service provider's website) that includes information on the CTF Program, a list of eligible services,<sup>3</sup> and contact information for the public to inquire with the service provider about the CTF Program.
3. Maintain CTF Program provisions within tariff. This requirement is only applicable if the service provider intends to apply CTF discounts to tariffed services.
4. If necessary, update your contact information on file with the CPUC Communications Division by submitting a Contact Information Update Request form, available on the [CPUC Communications Division website](#) under the "Helpful Forms" menu on the right side of the page.
5. If necessary, update your Payee Data Record (to indicate the appropriate destination of reimbursements from the CTF Program) by submitting a [Form STD-204](#) to the CPUC Fiscal Department at:

California Public Utilities Commission

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<sup>2</sup> The CTF program will only approve payment of claims for reimbursement filed by telecommunication carriers that have a Certificate of Public Convenience and Necessity. However, service providers that do not have a Certificate of Public Convenience and Necessity can still participate in the CTF Program if they partner with a telecommunication carrier that does have a Certificate of Public Convenience and Necessity. Refer to Chapter 4 and Chapter 6 Section E for more information.

<sup>3</sup> Refer to Chapter 5 Section A for information on the identification of eligible services.

Fiscal Office, 3<sup>rd</sup> Floor  
505 Van Ness Ave  
San Francisco, CA 94102

The mailing address indicated on your Payee Data Record must match the mailing address on file with the CPUC Communications Division (via the Contact Information Update Request form).

6. Provide additional documentation or information requested by the CPUC Communications Division on a case-by-case basis.

The CPUC Communications Division will use the information provided on [Data Request No.001](#) to assess the service provider's eligibility to participate in the CTF Program and notify the service provider on its eligibility status via email.

After obtaining approval from the CPUC Communications Division, service providers may begin giving discounts to participants and filing claims for reimbursement of those discounts. Refer to Chapter 5 for more information on CTF discounts. Refer to Chapter 6 for more information on claims for reimbursement.

To maintain eligibility for participation in the CTF Program, service providers must:

1. Respond in a timely manner to all Data Requests and other inquiries from the CPUC Communications Division.
2. Submit updated information to the CTF Program if there are any changes to the information within the initial response to the CTF Service Provider [Data Request No.001](#).
3. Keep all CTF-related webpages and tariffs up-to-date and accurate.
4. Keep all regulatory contact information current with the CPUC Communications Division. (To update contact information, please complete and file a Contact Information Update Request form, available on the [CPUC Communications Division website](#) under the "Helpful Forms" menu on the right side of the page.)
5. Keep your Payee Data Record up to date with the CPUC Fiscal Department. The mailing address indicated on your Payee Data Record must match the mailing address on file with the CPUC Communications Division via the Contact Information Update Request form.
6. Remain in good standing with the CPUC, including up to date on all require surcharge and fee collections and remittances.
7. Comply with all CPUC and CTF Program rules and requirements.

## 5. Providing the CTF Discount

The CTF discount is 50% of the monthly recurring charge for eligible services. Service providers must provide the discount within monthly recurring invoices prior to submitting claims for reimbursement to the CTF Program. Monthly invoices to participants should list CTF discounts as separate line items and indicate a total amount payable that is net of CTF discounts for the billing period.

### A. Eligible Services List

Prior to offering the CTF discount to any customer and as an ongoing annual requirement, service providers submit information on their services to the CTF program. After reviewing the information, the CTF Program notifies the service provider which of its services are eligible for the CTF discount. Service providers initially submit this information via a response to the [CTF Service Provider Registration Form](#) (Data Request No.001), then each year thereafter via a response to an annual request from the program.

The CTF Program's Eligible Services List includes:

- Asynchronous Transfer Mode
- Broadband Over Power Lines
- Cable Modem
- Digital Subscriber Line
- Digital Signal, DS1, DS2, etc.
- Ethernet
- Fiber Optics, including leased dark fiber and leased lit fiber
- Fixed Wireless Internet Access
- Frame Relay
- Integrated Services Digital Network
- Mobile Broadband Service – with certain restrictions, see below \*
- Multi-Protocol Label Switching
- Optical Carrier, OC1, OC2, etc.
- Satellite Internet Access
- Switched Multimegabit Data Service
- Trunk Level, T1, T2, etc.
- Wide Area Network <sup>4</sup>

**\* Restrictions on Mobile Broadband Services:** Mobile Broadband Services may be eligible for certain participants. In these instances, the participant's Approval Letter must explicitly state

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<sup>4</sup> Wide Area Network connections that form a data network between multiple participants are eligible for the CTF discount. Local Area Network, Managed Internal Broadband Services, and other connections that from a data network for a single participant service address or campus are not eligible for the CTF discount.

that the participant is eligible to receive discounts on Mobile Broadband Services. If the participant's Approval Letter includes restrictions on the eligibility of Mobile Broadband Services (for example, restrictions on the number of lines or on the types of eligible services), the service provider can only apply the CTF discount in accordance with those restrictions.

The CTF discount applies only to the monthly recurring charge of an eligible service.

The following fees, services and products are ineligible:

- Usage fees and service "add-ons." Refer to Chapter 5 Section G for additional instruction on bundled services and ancillary features.
- All voice including voice over internet protocol (VoIP)
- Equipment / Maintenance
- Construction / Infrastructure
- Local Area Network (LAN)
- Managed Internal Broadband Services
- Other services (contact the CTF Program to inquire on eligibility)

## B. Verify Participant Eligibility

Before providing CTF discounts, service providers must verify a participant's eligibility by obtaining a copy of the participant's Approval Letter *and* referencing the program's [List of Eligible Entities](#).

First, a service provider must obtain a copy of the participant's "Approval Letter." When approving an application, the CTF Program issues an Approval Letter to the participant with instructions to provide said letter to their service provider. If the participant does not provide a copy of its Approval Letter, the service provider should request the document from the participant. Service providers must apply the CTF discounts in accordance with the directions contained within a participant's Approval Letter. Service providers should retain a copy of all Approval Letters.

Next, a service provider must verify the eligibility status of the participant and/or service address by referencing the program's [List of Eligible Entities](#), which includes the following information for eligible participants: Application Number and/or CTF-ID, Status Date, Entity Type, Entity Name, Service Address, and Mobile Eligibility Status.

Participants approved prior to July 1, 2019 were assigned an Application Number to indicate eligibility.

Participants approved or recertified after July 1, 2019 are assigned a CTF-ID for each eligible service address. **Participants with one or more CTF-ID are eligible to receive the discount only at the service address(es) associated with the CTF-ID(s) and are not eligible to receive the discount at any service address that is not associated with a CTF-ID.**

For reference purposes, the program's [List of Eligible Entities](#) will retain both identification numbers (Application Number and CTF-ID) for participants that successfully recertify their eligibility.

Service providers should verify the consistency of the information and dates contained within the participant's Approval Letter and within the program's [List of Eligible Entities](#). Service providers should inquire with the CTF Program if any information or documents are inconsistent or irregular.

Prior to applying the discount to Mobile Broadband Services, service providers must verify that the participant acquired the requisite approval from the CTF Program. The CTF Program determines the eligibility of Mobile Broadband Services on a case-by-case basis for participants and applicants that request such a determination. A participant is eligible to receive discounts on certain Mobile Broadband Services only if (a) the participant's Approval Letter includes explicit affirmation of the eligibility of certain Mobile Broadband Services, and (b) the program's [List of Eligible Entities](#) also denotes the eligibility of Mobile Broadband Services for that participant. Service Providers must only apply the discount to Mobile Broadband Service in a manner that comports to a participant's Approval Letter, which may contain restrictions on quantities or other instruction.

The program's [Entity Eligibility Status](#) webpage also includes a [List of Ineligible Entities](#) to provide information on entities that once were but are no longer eligible to receive the discount because they failed to recertify with the program.

### C. Discount Start Date

A participant's Approval Letter conveys the date the service provider should begin to apply the discount. Depending upon when the participant provides the Approval Letter to the service provider, the service provider should apply the discount (a) retroactively to the date indicated within the Approval Letter, or (b) beginning on the date the participant provides the Approval Letter to the service provider. Approval Letters will contain instructions on when to start a participant's discount and indicate whether a retroactive application of the discount (to prior service periods) is necessary.

Participants switching service providers must provide a copy of their Approval Letter to the new service provider.

### D. E-rate Support

E-rate is a federal program administered by the Schools and Libraries Division of the Universal Service Administrative Company at the direction of the Federal Communications Commission. Like the CTF Program, E-rate provides funding for connectivity to schools and libraries. Most CTF eligible services are also eligible for support from E-rate (for qualifying entities). E-rate provides discounts ranging from 20% to 90% of the costs of eligible services.

The E-rate program allows participants to choose one of two methods to receive support: Billed Entity Applicant Reimbursement (BEAR)<sup>5</sup> or Service Provider Invoice (SPI).<sup>6</sup> Service providers cannot apply CTF discounts when a participant receives E-rate support via the BEAR method. Service providers can apply CTF discounts when a participant receives E-rate support via the SPI method. Service providers must verify the participants method of receiving support (BEAR or SPI) prior to application of the CTF discount.

If a participant is eligible for E-rate, the CTF discount (in terms of total dollars) that a participant receives for a service cannot exceed the E-rate support the participant may receive for that service.

Further, if the participant is eligible for E-rate, the CTF discount applies only to the balance of eligible costs remaining after the application of any discounts or support the participant may receive from E-rate. For example, if the monthly recurring cost of an eligible service is \$120 and the participant's E-rate support level is 80%, the CTF discount of \$12 is calculated as follows:

$$\text{CTF Discount} = 50\% * (\$120 * (100\% - 80\%))$$

If a participant is eligible for E-rate support but has not yet received a Funding Commitment Decision Letters<sup>7</sup> from E-rate, service providers must use the [statewide average E-rate support](#) level as a placeholder to calculate the CTF discount. (The program determines the statewide average E-rate support level prior to the beginning of each fiscal year and informs service providers of the figure via an Administrative Letter and a [website posting](#).) This rule applies all participant's eligible for support from E-rate irrespective of whether the participant has applied for E-rate support. For example, if the monthly recurring cost of an eligible service is \$80 and the statewide average E-rate support level is 60%, the CTF discount of \$16 is calculated as follows:

$$\text{CTF Discount} = 50\% * (\$80 * (100\% - 60\%))$$

When E-rate assigns a support level to the participant (via a Funding Commitment Decision Letter), the service provider must "true up" the CTF discounts from prior periods that relied on the statewide average E-rate support level. If the participant's actual E-rate support level differs from the statewide average, which is commonplace, the "true up" process will determine the shortfall or excess CTF discounts the participant is owed or owes for prior periods. Service providers should resolve the shortfall or excess CTF discounts by applying a nonrecurring lump sum CTF discount (positive or negative) within the participant's next bill. The "true up" process

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<sup>5</sup> With the BEAR method, the E-rate program provides support directly to participants.

<sup>6</sup> With the SPI method, service providers apply E-rate discounts within participants' invoices and subsequently request reimbursement of those discounts from the E-rate program.

<sup>7</sup> Funding Commitment Decision Letters are letters that applicants and service providers receive from the E-rate program when E-rate approves an application for support. Funding Commitment Decision Letters contain information on the level of support that an applicant will receive from E-rate.

ensures that a participant's cumulative CTF discounts for the funding year incorporate the participant's E-rate support level and not the statewide average.

Refer to Chapter 6 Section F for instructions on how to return funds to the CTF Program, which is sometimes required as a result of the "true up" process.

Service providers should retain detailed records of E-rate discounts, CTF discounts, and any "true up" calculations and provide those records to the CPUC Communications Division upon request.

## E. Rural Health Care Program

The Rural Health Care Program (RHCP) is a federal program administered by the Universal Service Administrative Company at the direction of the Federal Communications Commission. The RHCP provides support for high-capacity broadband connectivity to eligible health care providers. The RHCP provides support via the Healthcare Connect Fund wherein eligible health care providers can receive a 65 percent discount on the costs of eligible services.

If the participant receives support from the RHCP, the CTF discount applies only to the balance of eligible costs remaining after the application of any discounts or support the participant receives from the RHCP. This requirement mirrors the process for E-rate support discussed in the section above. However, RHCP support does not cap the maximum CTF discount a participant can receive and service providers need not apply a RHCP statewide average if an RHCP application is pending.

For participants who are awaiting approval for RHCP support, the service provider should apply CTF discounts without regard to possible RHCP support. If the RHCP approves support to a participant for prior service periods, the service provider must "true up" the CTF discounts from those prior service periods. To account for the retroactive RHCP support, service providers reduce the participant's CTF discounts (in the next bill) by an amount equal to the excess from prior periods. The "true up" process for RHCP support ensures that a participant's cumulative CTF discounts (for the funding year) equal 50 percent of the balance of eligible costs remaining after the application of the support the participant received from the RHCP.

Refer to Chapter 6 Section F for instructions on how to return funds to the CTF Program, which is sometimes required as a result of the "true up" process.

Service providers should retain detailed records of RHCP discounts, CTF discounts, and any "true up" calculations and provide those records to the CPUC Communications Division upon request.

## F. Taxes, Fees, & Surcharges

Taxes, fees, and surcharges are generally ineligible and do not receive the CTF discount.

Under very limited circumstances, service providers can apply the CTF discount to certain taxes and fees that correspond to the monthly recurring cost of eligible services. The taxes and fees

that are sometimes, albeit rarely, eligible to receive the CTF discount are limited to the following: 911 taxes, Federal Excise taxes, local utility user taxes, and the CPUC user fees. A service provider can only apply the CTF discount to these taxes and fees if a participant has filed a “Verification of Non-Exemption from Taxes Form.” Prior to applying the CTF discount to any taxes and fees, a service provider should (1) contact the CTF Program to verify that a participant has filed the requisite form, and (2) obtain a copy of the form from the participant.

Effective July 1, 2020, all taxes, fees, and surcharges will be ineligible to receive the CTF discount, irrespective of the “Verification of Non-Exemption from Taxes Form.” Service providers cannot apply the CTF discount to any taxes, fees, or surcharges after June 30, 2020.

## G. Bundled Services & Ancillary Features

To the extent a participant purchases “bundled services” wherein eligible services are sold together with ineligible products/services at a single bundled cost, service providers must cost-allocate the cost of the ineligible products/services apart from the cost of the eligible services. In order to cost allocate, service providers should apply the price of purchasing the components of a bundle separately on a standalone basis. The CTF discount should only apply *to the lower of*: (a) the portion of the bundled cost allocated to the eligible service, or (b) the monthly recurring cost of the bundle.

If the price of a voice component of a bundle is not readily available, service providers can determine the price of the voice component using the following methods:

- Service providers participating in the E-rate program can differentiate between voice and broadband services using the E-rate cost allocation methodology.
- Service providers that do not participate in the E-rate program can cost allocate the inter-state and intra-state voice components as needed for surcharges to differentiate between voice and broadband services.

If an eligible service is sold with ineligible features or add-ons, the service provider should cost allocate so that the CTF discount applies only to the monthly recurring charge of eligible service and not the ineligible features or add-ons. (Usage fees are also ineligible and do not receive the CTF discount.) If ineligible features are insubstantial and inseparable from the eligible service and are included on an “ancillary basis,” service providers can apply the CTF discount to the full monthly recurring cost of the product or service. If no separate pricing is available for extra features, then costs need not be allocated to the ineligible functionality. “Ineligible functionality” is considered “ancillary” if (1) a price for the ineligible component cannot be determined, and (2) the product or service is the most cost-effective means of obtaining the eligible functionality. For example, the standard pricing for some Internet access services includes caching and/or filtering services that are not themselves eligible services. Since these components are part of the standard offering, the full cost of the service is eligible to receive the CTF discount.

Service providers should keep documentation demonstrating that ineligible functionalities meet the definition of “ancillary,” and provide that documentation to the CTF Program upon request.

Service providers must also ensure that they do not “hide” the attempted procurement of ineligible features using a single line item charge that is not cost allocated.

## 6. Requesting Reimbursement

Service providers apply CTF discounts within participants’ monthly bills, then submit a claim for reimbursement of those discounts to the CPUC Communications Division.

### A. Due Date & Timeline

Claims for reimbursement are filed on a monthly basis, so that a service provider submits one claim per month. A claim for reimbursement must include all CTF discounts (including all “true up” adjustments) that the service provider (or its affiliate/partner) gave to participants during the month for which the claim is submitted.

Claims submitted for months prior to March 2020 are due 45 days from the last day of the month. The CTF Program will not approve payment of claims submitted for months prior to March 2020 if the claim is submitted more than one year after the due date.

Claims submitted for March 2020 and thereafter are due 60 days from the last day of the month. The CTF Program will not approve payment of claims for March 2020 and thereafter if the claim is submitted more than 60 days after the last day of the month.

The CTF Program strives to process claims for reimbursement within one month and payment from the State Controller’s Office will follow approximately one month after a claim is approved.

### B. How to Submit a Claim

To submit claims for reimbursement of discounts provided to participants, a service provider must:

- Possess a Certificate of Public Convenience and Necessity (CPCN). (Service providers that do not have a CPCN cannot submit claims for reimbursement but can still participate in the CTF Program; refer to Chapter 6 Section E)
- Remain compliant and current on all collections and remittances of surcharges and user fees to the CPUC.
- Abide by all CPUC rules and regulations.

Please submit your claims via email to [CTFClaims@cpuc.ca.gov](mailto:CTFClaims@cpuc.ca.gov). Please submit only one claim per email. The email subject line should begin with “CTF Claim,” followed by the service provider’s four digit Utility Identification Number, followed by a six digit number identifying the month and year for which the claim is made (two digits for the month and four digits for the year, i.e. MMYYYY). Separate the parts of an email’s subject line with a single dash (-) without spaces. Here is an example of a valid subject line: “CTF Claim-1234-072019.”

If a claim includes a refund to the CTF Program,<sup>8</sup> state so in the body of the email and provide the courier's name and corresponding tracking number.

A claim for reimbursement must include the following files attached to the email:

- One Adobe PDF file: Signed and dated Claim Form.
- One Microsoft Excel file: As determined by the claim month; refer to the next two sections.

For both the PDF and Excel file, the filename should begin with the service provider's four digit Utility Identification Number, followed by a six digit number identifying the month and year for which the claim is made (two digits for the month and four digits for the year, i.e. MMYYYY), and end with the document name (either "Claim Workbook" or "Claim Form"). Separate the parts of a file's name with a single dash (-) without spaces. For example: *1234-122019-Claim Form.pdf* and *1234-122019-Claim Workbook.xlsx*.

### C. Claims for Months prior to July 2020

To claim reimbursement of discounts given to participants prior to July 2020, carriers must complete and submit the Claim Form and Reports – available for [download here](#). Refer to Chapter 6 Section B for instructions on how to submit the completed Claim Form and Reports.

Service providers should enter data into the Claim Form and Reports on all CTF discounts (including all "true up" adjustments) that the service provider (or its affiliate/partner) gave to participants during the month for which the claim is submitted.

The templates for the [Claim Form and Reports](#) are contained within a Microsoft Excel file that includes the following:

- **Claim Form:** The Claim Form provides a summary of the claim. Service providers are required to sign and date the claim form and submit the signed form as a single-page PDF file when submitting a claim for reimbursement.
- **Service Report:** The Service Report summarizes the total CTF discounts provided for each service by fiscal year and participant type.
- **Customer Report:** The Customer Report summarizes the total CTF discounts provided to each participant by fiscal year and participant type. Insert additional rows by participant type under the corresponding fiscal year as necessary.

Participants approved prior to July 1, 2019 were assigned an Application Number. Participants approved or recertified after July 1, 2019 are assigned a CTF-ID. If a

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<sup>8</sup> Refer to Chapter 6 Section F for additional instructions on returning funds to the CTF Program.

participant has both a CTF-ID and an Application Number, carriers should utilize the CTF-ID and not the Application Number to report claims for reimbursement.

- **Variance Report:** The Variance Report compares current claim to the previous months' and the rolling 12-month average. Should the variance to previous month or variance to average exceed 10%, an explanation is required.
- **Rate Report:** The Rate Report lists the rate (monthly recurring charge) of any de-tariffed or unregulated services that receive the CTF discount. It contains two columns. Column A lists the de-tariffed or unregulated services that received the CTF discount, and Column B lists the monthly recurring charge of the service. If a single service is provisioned to participants at different prices, then the carrier should disclose the range of the monthly recurring charges. Similarly, if the monthly recurring charge of a service were to change during the claim month, the range should be disclosed. If the carrier chooses to report the information via a Guidebook, the Guidebook must be made available as part of the claim submission.
- **Affiliate Reports:** If the claim includes discounts provided by an unregistered service provider(s) via an affiliation or partnership (refer to Chapter 6 Section E), the Claim must also include the details of those discounts within the following supplemental forms:
  - Service Report – Affiliate 1
  - Customer Report – Affiliate 1
  - Rate Report – Affiliate 1

If the claim includes discounts provided by more than one unregistered service provider(s) via an affiliation or partnership, the same forms are required as “Affiliate 2,” “Affiliate 3,” etc....

## D. Claims for Months after June 2020.

To claim reimbursement of discounts given to participants after June 2020, carriers must complete and submit the new Claim Workbook – available for [download here](#).<sup>9</sup> Refer to Chapter 6 Section B for instructions on how to submit the completed Claim Workbook.

The [Claim Workbook](#) is a Microsoft Excel document containing three worksheets: the Data Dictionary and Instructions worksheet, the Claim Data worksheet, and the Claim Form worksheet.

To request reimbursement of discounts, service providers complete and submit one Claim Workbook per month. To complete a Claim Workbook, services providers enter information on the discounts and adjustments applied to participants' accounts during the month. For example,

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<sup>9</sup> Beginning with the July 2020 claim period, and continuing thereafter, the CTF Program will not accept older versions of the Claim Form and Reports.

a “July-2020 Claim Workbook” can include only discounts and adjustments applied to participants’ accounts during July-2020.

Please do not edit the Claim Workbook template beyond populating the required data. The CTF Program will only accept Claim Workbooks that contain the requested data as values or text. The CTF Program will not accept any Claim Workbook with live formulas embedded in the cells to calculate, reference, or perform any other action. Claim files should not require passwords to access or contain any protected or otherwise un-editable or inaccessible content. Please do not add any scripts, macros, or code to the template Excel file.

### i. Claim Data Worksheet

The Claim Data worksheet collects information on discounts given to participants, including information necessary to calculate each discount and information necessary to identify the service provider, participant, and service.

To complete the Claim Data worksheet, populate the table to create a “record” for each discount or adjustment for which you seek reimbursement. Each record will appear as a separate row and contain up to 22 “fields.” Each field is a different datapoint describing the record, and each field is collected within a different column. **Refer to Appendix C for a list of the required fields, including definitions and additional instructions for each.** When complete, a record will provide answers to the following questions:

- What was the amount of the discount?
- Who provided the discount?
- Which participant received the discount?
- Which service received the discount?
- What was the full monthly recurring charge of the service prior to application of any discounts or support from CTF, E-Rate, or the RHCP?
- When was the service provided to the participant? i.e., What was the service period?
- For E-Rate and RCHP participants only: How much support from E-Rate and RHCP was applied to the monthly recurring charges of the service prior to application of the CTF discount?
- For “true up” adjustments only: What was the amount of the original discount?

Each completed record will have a unique combination of the following datapoints: service provider + participant + service + service month & year + discount month & year.<sup>10</sup> For example, a service provider that gives discounts to three participants will enter six records if all three participants purchase two CTF-eligible services, even if all three participants purchased the same two services. In this example, the service provider will need to enter more than six records if: (1) it files claims on behalf of an affiliate, (2) it applied a “true up” adjustment during the month

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<sup>10</sup> Refer to Appendix C for definitions of these datapoints.

for which the claim is filed, or (3) it applied retroactive discounts during the month for which the claim is filed.

Refer to the [Claim Workbook Record Examples](#), a downloadable excel file, for examples on how to complete the CTF Claim Workbook for various scenarios and types of records. The file also includes an example Claim Data worksheet and an example Claim Form worksheet.

## ii. Claim Form Worksheet

Within the Claim Workbook, the Claim Form worksheet provides a summary of the claims for reimbursement listed on the accompanying Claim Data worksheet. The Claim Form includes three sections:

### Section 1. Basic Information

- Enter the Carrier Name into cell B4.
- Enter the CPCN Number (a.k.a., Utility Identification Number) into cell B5. Format: NNNN.
- Enter the Claim Month & Year into cell B6. Format: MMM-YYYY.

### Section 2. Claim per Fiscal Year

- *Note: The CTF Program's funding appropriations are per fiscal year (July through June). The service month & year associated with a discount determines the funding appropriation that the CTF program must use to pay the claim, therefore the Claim Form organizes claims for reimbursement as subtotals per fiscal year.*
- In column A, under the field "Fiscal Year", enter the fiscal year(s) (format: YYYY-YYYY) associated with the records contained within the Claim Data worksheet. Enter the initial fiscal year into cell A10, and enter additional fiscal years in cells A11 to A14 as necessary.
- Enter the claim subtotal corresponding to each fiscal year listed in column A. For example, the subtotal for fiscal year 2019-2020 will equal the sum of the "Claim" fields for all records denoting a service period that falls within July 2019 through June 2020.
- Do not enter information in columns C through E, which are designated for CPUC use only.
- Enter into cell B16 the total amount of the claims for reimbursement. The total claim amount is the sum of the subtotals listed above.

### Section 3. Signature

- Read the terms required to submit the claim.
- Enter the contact information of the officer responsible for the claim for reimbursement. The officer must act as the main point of contact for the CTF Program to direct all questions pertaining to the claim for reimbursement.
- Enter the officer's name, title, email address and telephone number into cells B26 to B29.

- Print the Claim Form.
- The officer responsible for the claim must sign and date the hard copy of the Claim Form.
- Scan the signed claim form and create an electronic PDF copy of the document.

When complete, print, sign and date the Claim Form worksheet, then submit the signed form as a single-page PDF file. Refer to Chapter 6 Section B for instructions on how to submit your claim for reimbursement.

## E. Affiliates and Partnerships

Service providers that do not have a CPCN cannot submit claims for reimbursement but can still participate in the CTF Program. Service providers that do not have a CPCN can apply the CTF Discount to participants' bills and then seek reimbursement for those discounts by partnering with a carrier with a CPCN. The carrier with a CPCN can file claims for reimbursement on the behalf of the uncertificated service provider.

The CTF Program will only approve Claims for Reimbursement from carriers with a CPCN. Payment of approved claims for reimbursement are addressed to the certificated carrier, who can pass the reimbursement funds to the uncertificated service provider. The CPUC and the CTF Program do not facilitate the creation or management of service provider/carrier partnerships.

The carrier filing the claim is responsible for the veracity of the entire claim, including any amounts for an affiliate or partner.

## F. Returning Funds

The "true up" process for E-rate and RHCP recipients sometimes requires that service providers return funds to the CTF Program. Refer to Chapter 5 Section D for additional information and instruction on the "true up" process.

Each month's Claim Form includes subtotals by fiscal year. If the subtotal of any fiscal year is negative, the service provider must return funds to the CTF Program by issuing a check payable to "California Public Utilities Commission – CTF Program." The program's funding is appropriated by fiscal year, so a positive fiscal year subtotal cannot offset a negative fiscal year subtotal. In returning funds, please do not combine the subtotals of fiscal years, i.e. issue one check for each negative fiscal year subtotal included on the Claim Form.

If the "true up" adjustments included within a claim do not result in a negative subtotal for any single fiscal year (as noted on that month's Claim Form), service providers do not need to submit a check to the CTF Program.

When submitting a check to refund the CTF Program, service providers must also include a hardcopy of the associated Claim Form (page one of the Excel workbook) with signature and

date. Service providers should mail checks and the hardcopy Claim Form using a reputable courier and obtain a parcel tracking number. Please mail checks to the following address and keep all records:

California Public Utilities Commission  
Communications Division, 3<sup>rd</sup> Floor  
ATTN: CTF Program  
505 Van Ness Avenue  
San Francisco, CA 94102

When a claim for reimbursement necessitates a refund to the CTF Program, service providers should first mail the check and obtain the requisite tracking number. Then, the email submission of that claim should include in the body of the email the courier's name and tracking number of the parcel containing the check.

## 7. Recertification of Participant Eligibility

Participants must periodically recertify with the program in order to maintain eligibility for the discount.

The CTF Program notifies participants of the need to renew their eligibility and participants are not required to renew their eligibility until they receive notice from the CTF Program. Upon receiving notice, participants must submit a new, up to date application (with updated forms, information, and documents) to the program. The program's [Applicant & Participant Guidebook](#) contains the application forms and instructions. When a participant submits an updated application, the CTF Program will review the application to determine if the participant is eligible under the new/updated program rules.

The CTF Program notifies service providers anytime a participant is required to recertify with the program and anytime a participant's eligibility status changes. The CTF Program will instruct service providers to discontinue discounts for any participant that loses eligibility.

Upon recertifying a participant, the CTF Program will send the participant a new Approval Letter and assign the participant a unique CTF-ID number for each service address that is eligible to receive the discount. **Participants with one or more CTF-ID are eligible to receive the discount only at the service address associated with the CTF-ID and are not eligible to receive the discount at any service address that is not associated with a CTF-ID.**

A participant's CTF-ID number replaces their old Application Number. The CTF Program will discontinue use of all Application Numbers that are replaced by CTF-ID numbers. However, for reference purposes, the program's [List of Eligible Entities](#) will retain both identification numbers (Application Number and CTF-ID) for participants that successfully recertify their eligibility.

Upon denying a participant's recertification, the CTF Program will send the organization a Rejection Letter to indicate the failed recertification. The program will revoke the organization's Application Number to indicate discontinued eligibility. For reference, the program maintains a list of Application Numbers that were [not successfully recertified](#), which means they no longer

indicate eligibility to receive the CTF discount. The CTF Program will notify service providers of any changes in the status of participants' Application Numbers and provide instructions for discontinuing CTF discounts when necessary.

Please note, it is possible for an organization to obtain reinstated eligibility after the revocation of an Application Number previously held by the organization. If this happens, the organization may appear on both the Eligible Entities List and the Revoked Application Numbers List. An organization with reinstated eligibility will receive a new CTF-ID and an updated Approval Letter to indicate eligibility.

## Appendix A: Table of Authorities

Document	Summary
Decision 96-10-066	Created the CTF Program.
Resolution T-16319	Set rules for claims beginning October 1999.
Resolution T-16330	Set rules for claims for 1997.
Resolution T-16381	Modified rules for claims beginning July 1999, including on: interest calculations, bundled offerings, adjustments, due dates, etc.
Resolution T-16542	Set rules on service eligibility, consortia eligibility, revised time limits for claims, surcharge remittance requirements, etc.
Resolution T-16584	Expands eligible services list, adds consortia as eligible CTF entities, adds the DCP, an operation of the Corporation for Education Network Initiatives in California, as an eligible CTF entity, adopts time limits in filing CTF claims, etc.
Resolution T-16742	Implements portions of Senate Bill (SB) 1863 (Stats. 202, Ch.308), standardizes services and discount levels, clarifies eligibility of DSL, streamlines application process, etc.
Resolution T-16763	Sets time limits for submitting claims, adopts forms/worksheets, specifies timing of discount, creates Guide for Carriers Submitting CTF Claims, adopts rules to incorporate E-Rate discounts, specifies interest provisions, eliminates filing of amended claims, etc.
Administrative Letter 6	Revises requirements for CTF claims, clarifies eligibility of all CTN-related service, and clarifies eligibility of CBO's offering 211 services.
Administrative Letter 7	Introduces the E-Rate credit worksheet and contains instructions on the timing of E-Rate credits within CTF claims.
Administrative Letter 9	Revised method for calculating discounts for less than a one-month period.
Administrative Letter 8A	Implementation of PU Code 884.
Administrative Letter 11	Revised method for submitting claims.

Administrative Letter 10B	Rules to account for E-rate discounts.
Administrative Letter 14	Restriction on use of Billed Entity Applicant Reimbursement (BEAR) for E-rate participants.
Administrative Letter 15	Implementation of Public Utilities Code Section 884.
Decision 08-06-020	Expands eligibility to community colleges, creates an Office of CTF Outreach and Assistance, removes the tariff requirements related to CTF for non-rate-of-return carriers, clarifies eligibility of California Telehealth Network participants, etc.
Administrative Letter 16	Clarifies eligibility of internet access services and participation of California Community Colleges.
Administrative Letter 17	Revised method for submitting claims.
Decision 15-07-007	Restates program goals, revises eligibility criteria for participants and services, caps CTF discounts at the level of E-rate support, etc.
Administrative Letter 24	Caps CTF discounts at the level of E-rate support.
Decision 16-04-021	Applies E-rate cap for voice services, provides exemption criteria for reduced voice support, etc.
Decision 18-01-006	Provides rules for CBO recertification process, addresses hybrid use of services, clarifies eligibility of Health Care CBOs, etc.
Decision 19-04-013	Eliminates CTF support for voice services, expands eligibility to mobile broadband services, updates criteria for eligibility of CBOs, adopts a cost allocation process for non-E-rate participants, clarifies that taxes, fees, and surcharges are not eligible for CTF support, etc.

## Appendix B: Glossary

**Approval Letter:** Upon approving an application, the CPUC Communications Division issues an “Approval Letter” to the participant with instructions to provide the said letter to a service provider. Participants must provide a copy of their Approval Letter to the service provider. If the participant does not provide a copy of its Approval Letter the service provider should request the Approval Letter from the participant.

**Applicant:** A school, library, government-owned hospital or health clinic, California community college, 2 1 1 service provider, or community-based organization that is eligible or is applying for CTF but has not been approved to receive the CTF discount.

**Participant:** A public or private school, library, government-owned hospital or health clinic, California community college, 2-1-1 service provider, or community-based organization that has been approved by the CTF Program to receive the CTF discount.

**Carrier:** A telecommunications corporation that possesses a valid CPCN and is authorized by the CPUC to provide telecommunications services in California.

**Service address:** The location where a participant receives or will receive CTF-eligible services.

**Billing address:** Mailing or postal address.

**Utility Contact Information Request:** Also known as a UCS Form or the Regulatory/Official Utility Contact Information Request form. The CPUC Communications Division maintains contact information for all telecommunications carriers certificated by the Commission to provide telecommunications services in California. The Commission will use this information for its official mailings and contacts, primarily through e-mail.

**Payee Data Record (STD 204 Form):** is required for all payees (non-governmental entities or individuals) entering into a transaction that may lead to a payment from the state. Each state agency requires a completed, signed, and dated STD 204 on file; therefore, it is possible for you to receive this form from multiple state agencies with which you do business.

## Appendix C: Instructions for Claim Data Worksheet

Field	Description & Instructions	Format	Example
CPCN_ID	<p>CPCN Identification: The Certificate of Public Convenience and Necessity utility identification number of the carrier submitting the claim.</p> <p>Enter your Certificate of Public Convenience and Necessity utility identification number. Enter only a four-digit number. Omit any preceding or appending letters or other non-numeric characters. For each distinct claim filing, all records must denote the same CPCN Identification number.</p> <p>This field is required for all records.</p>	NNNN	1234
Claim_Mon	<p>Claim Month: The month for which the claim is filed.</p> <p>Enter a number 1 through 12 to denote the month for which the claim is filed. January is 1, February is 2, March is 3, and so on... For each distinct claim submission, all records must denote the same Claim Month.</p> <p>Example: the Claim Data worksheet within a Claim Workbook submitted for July-2020 can include only discounts and adjustments that participants received during July-2020. In this example, July is referred to as the “Claim Month” and 2020 is the “Claim Year.”</p> <p>This field is required for all records.</p>	N	2
Claim_Yr	<p>Claim Year: The calendar-year corresponding with the Claim Month.</p> <p>Enter the year as a four-digit number. For each distinct Claim filing, all records must denote the Claim Year.</p> <p>This field is required for all records.</p>	NNNN	2019

Field	Description & Instructions	Format	Example
Srv_Month	<p>Service Month: The month during which the participant received the service, i.e. the service period.</p> <p>Enter a number 1 through 12 to denote the month during which the participant received the service. Note: the Service Month will differ from the Discount Month for records of retroactive discounts and “true up” adjustments related to E-Rate.</p> <p>This field is required for all records.</p>	N	2
Srv_Year	<p>Service Year: The calendar-year during which the participant received the service, i.e. the service period.</p> <p>Enter the year during which the participant received the service. The Service Year corresponds to the Service Month.</p> <p>This field is required for all records.</p>	NNNN	2019
Provider_DBA	<p>Provider DBA: Service Provider's "do business as" name.</p> <p>Enter the “do business as” name of the company that provided the service and discount. Note: Most of the time the carrier submitting the claim also provided the discount, however that is not the case when a carrier submits a claim on behalf of a partner or affiliate. Refer to Chapter 6 Section E of the CTF Service Provider Manual for additional information on filing claims on behalf of affiliates or partners.</p> <p>This field is required for all records.</p>	Text	My Broadband Company

Field	Description & Instructions	Format	Example
Affiliate	<p>Affiliate: Was the service sold (and discount provided) by an affiliate, partner, or company other than the filing carrier?</p> <p>Enter "Y" for yes, or "N" for no. Refer to Chapter 6 Section E of the CTF Service Provider Manual for additional information on submitting claims on behalf of affiliates or partners.</p> <p>This field is required for all records.</p>	Y/N	N
App_Number	<p>Application Number: Unique identifier of an eligible CTF participant.</p> <p>Enter the CTF Application Number of the participant. A participants' CTF Application Number is available within their Approval Letter and also online at <a href="https://www.cpuc.ca.gov/General.aspx?id=4095">https://www.cpuc.ca.gov/General.aspx?id=4095</a>.</p> <p>This field is required only for participants that were approved by the CTF program prior to July 1, 2019.</p>	NNNN	98765
CTF_ID	<p>CTF-ID: Unique identifier of a CTF participant's eligible service address.</p> <p>Enter the CTF-ID of the participant's service address. CTF-ID's are made available within the participant's Approval Letter and also online at <a href="https://www.cpuc.ca.gov/General.aspx?id=4095">https://www.cpuc.ca.gov/General.aspx?id=4095</a>.</p> <p>This field is required only for records of sites that were approved or recertified on or after July 1, 2019. If a participant has both a CTF-ID and an Application Number, please report both.</p>	NNNNN	100004

Field	Description & Instructions	Format	Example
Part_Cat	<p>Participant Category: The category of CTF-eligible participant of the participant.</p> <p>Enter the category of CTF-eligible participant that identifies the participant. Valid entries are limited to one of the following: Private School, Public School, Library, Community College, Gov Hospital, CBO, or Healthcare CBO.</p> <p>This field is required for all records.</p>	Restricted List	Private School
Srv_Name	<p>Service Name: The marketed name of the service.</p> <p>Enter the name of the service.</p> <p>This field is required for all records.</p>	Text	My Broadband Service

Field	Description & Instructions	Format	Example
Srv_Cat	<p>Service Category: The CTF Eligible Service category of the service.</p> <p>Enter one of the following choices to identify the service: ATM, BPL, Cable, DSL, Digital, Ethernet, Fiber, Frame, ISDN, MBS, MPLS, Optical, Satellite, SMDS, Trunk, WAN, or Wireless.</p> <p>ATM = Asynchronous Transfer Mode  BPL = Broadband Over Power Lines  Cable = Cable Modem  DSL = Digital Subscriber Line  Digital = Digital Signal, DS1, DS2, etc.  Ethernet = Ethernet  Fiber = Fiber Optics  Frame = Frame Relay  ISDN = Integrated Services Digital Network  MBS = Mobile Broadband Service  MPLS = Multi-Protocol Label Switching  Optical = Optical Carrier, OC1, OC2, etc.  Satellite = Satellite Internet Access  SMDS = Switched Multimegabit Data  Trunk = Trunk Level, T1, T2, etc.  WAN = Wide Area Network  Wireless = Fixed Wireless Internet Access</p> <p>This field is required for all records</p> <p>Refer to Chapter 5 Section A of the CTF Service Provider Manual for additional information on the Eligible Service List.</p>	Restricted List	DSL

Field	Description & Instructions	Format	Example
Quantity	<p>Service Quantity: The quantity of the service.</p> <p>Enter the quantity of the service. Most records will indicate a quantity of one, unless a participant purchases (and receives the discount on) two or more of the service and the claimant chooses to combine its requested reimbursement of those discounts into one record.</p> <p>This field is required for all records.</p>	N	2
Full_MRC	<p>Full Monthly Recurring Cost: The full/undiscounted monthly recurring cost of the service.</p> <p>Enter the full monthly recurring cost of the service prior to any discounts from CTF, E-Rate or the Rural Health Care Program. Enter the monthly recurring cost for a quantity of one, irrespective of the quantity purchased by the participant. If the participant purchased two or more of the same service at differing costs, enter the average monthly recurring cost.</p> <p>This field is required for all records.</p>	\$NN.NN	\$555.95
Eligible_MRC	<p>Eligible Monthly Recurring Cost: The portion of the Full Monthly Recurring Cost that is eligible to receive the CTF discount.</p> <p>Enter the eligible portion of the Full Monthly Recurring Cost. Note: Most of the time, the Eligible Monthly Recurring Cost will equal the Full Monthly Recurring Cost. However, if the participant purchases a “bundled service” wherein an eligible services is sold together with ineligible products/services at a single bundled cost, service providers must cost-allocate the cost of the ineligible products/services apart from the cost of the eligible services. Refer to the CTF Service Provider Manual at Chapter 5 Section G for more information.</p> <p>This field is required for all records.</p>	\$NN.NN	\$555.95

Field	Description & Instructions	Format	Example
Erate_Support	<p>Erate Support: The participant's E-Rate support level.</p> <p>Enter the discount (percentage) that E-Rate has committed to the participant via a Funding Commitment Decision Letter.</p> <p>This field is required only for participants that have received a Funding Commitment Decision Letter from E-Rate for the service period. If an E-Rate eligible participant has not received a Funding Commitment Decision Letter from E-Rate for the service period, leave this field blank. Do not enter the Statewide Average E-Rate support level in this field.</p>	NN%	75%
Erate_St_Avg	<p>Erate Statewide Average: The "placeholder" amount of E-rate support (based on the statewide average E-rate percentage) the carrier used to calculate CTF discounts for E-Rate eligible participants that have not received a Funding Commitment Decision Letter from E-Rate for the service period.</p> <p>Enter the "placeholder" amount of E-rate support (based on the statewide average E-rate percentage) that was imputed in order to calculate the CTF discount.</p> <p>This field is required only for E-Rate eligible participants that have not yet received a funding commitment letter from E-Rate for the Service Month. Leave this field blank if (a) the participant has already received their Funding Commitment Decision Letter from E-Rate for the Service Month, or (b) the participant is not eligible for E-Rate.</p>	NN%	80%

Field	Description & Instructions	Format	Example
RHCP_Support	<p>Rural Health Care Program Support: The amount of Rural Health Care Program support the participant receives.</p> <p>Enter the amount of RHCP support the participant receives for the service month.</p> <p>This field is only required for participants that receive RHCP support. Leave this field blank if the participant did not receive any support from the RHCP for the Service Month.</p>	NN%	65%
CTF_Discount	<p>CTF Discount: The CTF discount received by the participant.</p> <p>Enter the CTF discount amount that the participant received.</p> <p>This field is required for all records.</p>	\$NN.NN	\$130.23
Orig_Discount	<p>Original CTF Discount: The original CTF discount amount previously given to the participant for the service and Service Month.</p> <p>Enter the CTF Discount amount originally reported in the associated "E-Rate Unknown" record (that was reported in a previous month's Claim Data worksheet).</p> <p>This field is required only for "True Up Adjustment" records, which are necessary to correct a prior month's "E-Rate Unknown" record that used the statewide average E-Rate support level to calculate the CTF discount.</p>	\$NN.NN	\$95.64

Field	Description & Instructions	Format	Example
Claim	<p data-bbox="428 235 1052 261">Claim Amount: The reimbursement request amount.</p> <p data-bbox="428 310 1381 479">Enter the dollar amount of reimbursement (or credit) requested for the record. This amount will usually equal the CTF Discount amount, unless the record is for a "True Up Adjustment" for an E-Rate participant. If the claim entry is a "True Up Adjustment" for an E-Rate participant, enter the difference between the CTF Discount and the Original CTF Discount.</p> <p data-bbox="428 521 848 547">This field is required for all records.</p>	\$NN.NN	\$34.59