

## **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.
- 2.1.6 “Commission” -- The California Public Utilities Commission.
- 2.1.7 “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.

- 2.1.8 “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.
- 2.1.9 “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.
- 2.1.10 “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.
- 2.1.11 “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.
- 2.1.12 “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.
- 2.1.13 “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.
- 2.1.14 “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.
- 2.1.15 “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.
- 2.1.16 “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.
- 2.1.17 “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.
- 2.1.18 “Flat-Rate Service” -- Local exchange access service and calls furnished for a fixed periodic charge.

- 2.1.19 "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.
- 2.1.20 "Household" -- A ULTS customer and those persons, if any, living with the ULTS customer in a single residence.
- 2.1.21 "Intrastate telecommunication service" -- Means any of the following:
- 2.1.21.1 A telecommunication for which there is a toll charge that varies in amount with the distance and the elapsed transmission time of each individual communication, where the point of origin and the point of destination are located within this state.
  - 2.1.21.2 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.
  - 2.1.21.3 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 different exchanges in this state.
- 2.1.22 "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.
- 2.1.23 "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.
- 2.1.24 "Measured-Rate Service" -- A telephone service that includes the basic exchange access service monthly rate based upon the number of outgoing untimed local calls plus the applicable usage charges.
- 2.1.25 "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.
- 2.1.26 "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.

- 2.1.27 “Qualifying Household” – A customer who is eligible to receive ULTS.
- 2.1.28 “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.
- 2.1.29 “Regular Tariff Rates” -- A carrier’s or utility’s rates and charges for telecommunications services that are applicable to non-ULTS residential customers.
- 2.1.30 "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.
- 2.1.31 “Residential “Local Exchange Residential 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.
- 2.1.32 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.
- 2.1.33 “Service Connection Charge” -- A charge designed to recover in part certain expenses incident to the installation of telephone service.
- 2.1.34 “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.
- 2.1.35 “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.
- 2.1.36 “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.
- 2.1.37 “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.
- 2.1.38 “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.”

- 2.1.39 “Three-Month Commercial Paper Rate” -- The 3-month commercial paper rate published in the Federal Reserve Statistical Release, G-13.
- 2.1.40 “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.
- 2.1.41 “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.
- 2.1.42 “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.
- 2.1.43 “Toll Limitation Service” – A service that includes, but is not limited to, toll blocking or toll control service.
- 2.1.44 “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.
- 2.1.45 “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.”
- 2.1.46 “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.
- 2.1.47 “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.
- 2.1.48 “ULTS Line” – A single subsidized telephone connection provided by a utility under the ULTS program to a qualifying household.
- 2.1.49 “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 devise 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 devise; (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 devise 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 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 (i) Commission mandated notices regarding the ULTS program that are in the same language in which ULTS was originally sold, and (ii) 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, telephone access line or other telephone connection.
- 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 devise; (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 devise; and (iii) whether the disabled member has a TTY devise.
- 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.
- 5.10.1.2 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.

## 6 SERVICE ELEMENTS & 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 available 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 Service Deposits.
  - 6.4.1 Utilities may not require deposits for the establishment of ULTS if the applicant has no outstanding bill with another California telephone utility.
  - 6.4.2 If the applicant has an outstanding bill for toll service with another California telephone utility, then utilities may not require the applicant to post a deposit in order to establish ULTS if the applicant elects to subscribe to toll blocking.
  - 6.4.3 If the applicant has an outstanding bill for basic residential telephone service (BRTS) or ULTS with another California telephone utility, then utilities may require the applicant to post a service deposit in order to establish ULTS, even if the applicant elects to receive toll blocking. If a utility does require a service deposit from customers with unpaid bills for BRTS or ULTS, the utility shall return the service deposit once the customer has paid these bills.
  - 6.4.4 Other than previously stated, the establishment and re-establishment of credit shall be in accordance with the tariff schedules of the utility.
- 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.
- 7.4 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 are (i) incremental to the ULTS program, and (ii) 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 changes, (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 carrier of last resort (COLR). If there are two or more COLRs available to serve a particular ULTS customer, then b(ii) shall equal the tariffed rates and charges of the COLR that offers the lowest tariffed rates and charges. The determination of which COLR has the lowest rates and charges shall be based on the sum of each COLR's (a) regular tariffed non-recurring charge for residential service connection plus (b) regular tariffed recurring monthly rate for flat rate residential service multiplied by twelve.

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:

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

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 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.
  - 8.3.10 The time spent by utility service reps to notify new residential customers about the availability of UTLS.
  - 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 COLR's normal 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 the sale of non-ULTS services, such as toll service, Caller ID, voice mail, etc.
  - 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 the time spent by utility service reps to (i) process ULTS service orders, and (ii) answer calls from ULTS customers about their bills.
  - 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 or will recover from other sources.
- 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 also prescribe the content, format, and timing of workpapers that utilities submit to support their ULTS claims.
  - 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 also prescribe

the content, format, and timing of workpapers that carriers submit to support their surcharge remittances.

- 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 ULTS MARKETING AND OUTREACH

12.1 The ULTS Marketing Board (ULTSMB) is responsible for marketing the ULTS program.

12.1.1 The ULTSMB shall market to low-income households the availability, terms, and conditions of two ULTS lines for qualified disabled persons.

12.2 Utilities shall not submit claims to the ULTS Fund for any costs associated with marketing, advertising, or outreach.

## 13 AUDITS AND RECORDS

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

13.2 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.

- 13.3 Carriers and utilities shall promptly reimburse the ULTS Fund for any under-remittance of ULTS surcharge revenues or overpayment of ULTS claims uncovered by an audit. Utilities shall pay interest on the amount they are found to owe to the ULTS Fund based on the 3-month commercial paper rate. Carriers shall pay 10% interest on the amount they are found to owe to the ULTS Fund.
- 13.3.1 A carrier or utility may formally contest the audit results after it has reimbursed the ULTS Fund by filing an application with the Commission. Any amount that the Commission finds was improperly reimbursed shall be repaid by the ULTS Fund with interest equal to the 3-month commercial paper rate.
- 13.4 The ULTSAC shall authorize the ULTS Fund to promptly reimburse carriers and utilities for any over-remittance of ULTS surcharge revenues or underpayment of ULTS claims uncovered by an audit. The ULTS Fund shall pay interest equal to the 3-month commercial paper rate on the amount that it owes to carriers and utilities.
- 13.4.1 If a carrier or utility believes the amount of reimbursement is too little, it may file an application with the Commission for additional reimbursement. Any amount of under-reimbursement found by the Commission shall be repaid by the ULTS Fund to the carrier or utility along with interest equal to the 3-month commercial paper rate.
- 13.5 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.
- 13.6 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.
- 14 REQUESTS FOR WAIVER OF ULTS PROGRAM ADMINISTRATIVE REQUIREMENTS
- 14.1 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.

- 14.2 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.
- 14.3 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.).
  - 14.3.1 The ULTSAC may attach conditions when granting a waiver request.
  - 14.3.2 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.

## 15 FUTURE REVISIONS TO THIS GENERAL ORDER

- 15.1 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.

## General Order 153

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 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. 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 languages 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.

**General Order 153  
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:

<b>Matrix 1</b>		
<b>Existing ULTS Customer Applies for 2nd ULTS Line</b>		
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

<b>Matrix 2</b>		
<b>Non-ULTS Customer Applies for Two ULTS Lines</b>		
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

<b>Matrix 3</b>		
<b>Customer with Required Equipment From non-DDTP Source Applies for Two ULTS Lines</b>		
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

<b>Matrix 4</b>	
<b>Description of Certification Procedures</b>	
<b><u>Procedure</u></b>	<b><u>Description</u></b>
<b>A.</b>	Provide 1st ULTS line upon verbal telephone certification of eligibility to participate in ULTS program.
<b>B.</b>	Provide 1st and 2nd ULTS line upon verbal telephone certification of eligibility to participate in ULTS program.
<b>C.</b>	Immediately provide 2nd ULTS line.
<b>D.</b>	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.
<b>E.</b>	If household has one member, provide 2nd ULTS line concurrent with the provision of RS, or as soon as possible thereafter.
<b>F.</b>	Provide customer with blank medical certificate.
<b>G.</b>	Obtain completed medical certificate.
<b>H.</b>	Provide customer with required equipment (RE).
<b>I.</b>	Provide 2nd ULTS line concurrent with the provision of QE, or as soon as possible thereafter.
<b>J.</b>	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.
<b>K.</b>	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).
<b>L.</b>	Require customer to submit a signed SCF within 30 days.
<b>M.</b>	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.
<b>N.</b>	Provide customer with equipment self-certification form (E-SCF).
<b>O.</b>	Require customer to submit a signed E-SCF within 30 days.
<b>P.</b>	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.
<b>Q.</b>	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.



## General Order 153

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 changes 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 draft a proposal to update GO 153 to reflect the substantive change to the ULTS program previously approved by the Commission. TD's proposal shall include the following: (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.
  - 6.1.1 Carriers and utilities shall have at least three months from the date of the Commission's order adopting a substantive change to the ULTS program to implement the substantive change if the change requires significant revisions to carriers' or utilities' operating systems.
- 6.2 TD shall (i) serve its proposal on all parties that were served with the Commission order that adopted the underlying substantive change to the ULTS program, (ii) post its proposal on TD's web page, and (iii) place a notice of its proposal in the Commission's Daily Calendar. The notice that appears in the Daily Calendar shall provide (i) a brief description of TD's proposal, and (ii) information on how to: (a) obtain an electronic copy (e-copy) of the proposal from TD's web page, (b) obtain a hardcopy from TD, and (c) submit comments and reply comments on the proposal.
- 6.3 Parties shall have 20 days from the date that TD's proposal appears in the Daily Calendar to file comments on the proposal, and 15 days thereafter to file reply comments. The first page of parties' comments must include an e-mail address and phone number for requesting a copy of the comments. TD shall place a notice in the Daily Calendar of (1) any comments and reply comments, and (2) the e-mail addresses and phone numbers for requesting copies of the comments. Parties shall promptly send an e-copy or hardcopy of their comments free of charge to anyone requesting a copy.
  - 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 must 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 modify its proposal, as necessary, to reflect any written comments that are submitted regarding the proposal. TD shall submit its revised proposal to the ULTSAC for the Committee to review and comment upon during public meetings held in accordance with the Bagley-Keene Open Meeting Act. TD shall revise and finalize its proposal, as appropriate, to reflect any comments offered during the public meetings of the ULTSAC. TD shall then place in the Daily Calendar notice of (1) the adopted revision to the text of GO 153, (2) the effective date of the adopted revision to GO 153, and (3) information on how to obtain an e-copy or hardcopy of the adopted revision. On or before the effective date of the adopted revision to GO 153, TD shall update the GO 153 posted on the Commission's website to incorporate the adopted revision. 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.
- 6.4.1 If TD makes significant changes to its proposed revision to GO 153, TD may re-issue its proposal for another round of (1) review by the ULTSAC, and (2) public comments. TD may also withdraw its proposal by placing notice of the withdrawal in the Daily Calendar.
- 6.4.2 If there is controversy regarding TD's proposed revision to the text of GO 153, TD may prepare for the Commission's consideration a resolution to adopt TD's proposed revision.
- 6.5 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 (1) the effective date of the adopted revision to GO 153, (2) any customer notice requirements associated with the adopted revision, and (3) how to obtain an e-copy of the revised GO 153 from the Commission's website or a hardcopy from TD.

## **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 initiate revisions to ULTS program administrative procedures and requirements by submitting proposed revisions to the text of GO 153 to the ULTSAC. The ULTSAC shall provide notice and an opportunity to comment on TD's proposal during public meetings of the Committee conducted in accordance with the Bagley-Keene Act. TD shall then (i) finalize the administrative revision, as appropriate, to reflect the comments presented at the public meeting of the ULTSAC, and (ii) update GO 153 to reflect the new administrative requirement. 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.
  - 3.1 If there is controversy regarding TD's proposed administrative revision to the ULTS program, TD may prepare for the Commission's consideration a resolution to adopt TD's proposed administrative revision.
  - 3.2 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.
    - 3.2.1 TD shall provide parties affected by the adopted administrative revision adequate time to implement the revision.
- 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.
  - 2.1 TD shall to determine whether, and to what extent, it is necessary to provide carriers, utilities, and other affected parties with notice of a particular ministerial revision to GO 153.
- 3 Parties may request ministerial revisions to GO 153 by submitting a letter to the Director of TD. The Director of TD 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.