

GENERAL ORDER

1. GENERAL1.1 Intent

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

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

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

1.3 Definitions

- 1.3.1 "Act" means the Moore Universal Telephone Service Act, AB 1348, Ch. 1143, Stats. 1983.
- 1.3.2 "Board" means the State Board of Equalization. 1/
- 1.3.3 "Commission" means the California Public Utilities Commission. 1/
- 1.3.4 "Deposit" - Money paid by the customer as security to the serving utility in order to establish or re-establish service as required by the utility's tariffs.
- 1.3.5 "Exchange Access Service" - Basic exchange service furnished by means of a central office line.
- 1.3.6 "Flat Rate Service" - Exchange service furnished for a fixed periodic charge.
- 1.3.7 "Total Household Income" - All revenues, from all household members, from whatever source derived,

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

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

- 1.3.8 "Gross revenues" means all revenues billed by a service supplier for the provision of intrastate interLATA telecommunications services, excluding all federal, state, and local taxes and all accounts which have been found to be worthless and written off for income tax purposes or, if the service supplier is not required to file income tax returns, written off in accordance with generally accepted accounting principles.
- 1.3.9 "Household" - The members of a residence.
- 1.3.10 "Information" - means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds or other symbols which may be conveyed via telecommunications. 1/
- 1.3.11 "InterLATA" - means between one LATA and another. 1/
- 1.3.12 "IntraLATA" - means within a single LATA. 1/
- 1.3.13 "Intrastate telecommunication service" means any of the following:
- 1.3.13.1 A telecommunication for which there is a toll charge which varies in amount with the distance and elapsed transmission time of each individual communication, where the point of origin and the point of destination are located within this state.
- 1.3.13.2 A service which entitles the subscriber, upon payment of a periodic charge (determined as a flat amount or upon the basis of total elapsed transmission time), to the privilege of an unlimited number of telecommunications to or from persons having telephone, data, or radiotelephone stations which are outside the exchange area in which the station provided with the service is located, where the point of origin and the point of destination are located within this state.

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- 1.3.13.3 A service which entitles the subscriber, upon payment, to transfer or move information whether voice, data, digital, or video in nature where the point or points of origin and the point or points of destination of the service are located in different exchanges in this state. 1/
- 1.3.14 "In This State" means within the exterior limits of the State of California and includes all territory within those limits owned by or ceded to the United States of America. 1/
- 1.3.15 "LATA" - means a local access and transport area as defined and approved by the United States District Court for the District of Columbia circuit in the case of the United States vs. Western Electric Co., Inc., and American Telephone and Telegraph Co., CA 92-0192, April 20 and July 8, 1983, and in a Memorandum and Order of August 5, 1983. 1/
- 1.3.16 "Local Call" - A completed call or telephonic communication between a calling station and any other station within the ZUM Zone 1 or the local exchange area plus any extended area service of the calling station.
- 1.3.17 "Measured Rate Service" - A telephone service which includes the exchange access service monthly rate based upon the number of outgoing timed and untimed local calls plus the applicable usage charges.
- 1.3.18 "Message Rate Service" (Metered Service) - A telephone service which includes the exchange access service monthly rate based upon the number of outgoing untimed local calls.
- 1.3.19 "Mileage Charges" - The additional charges for exchange telephone service furnished outside the base rate area or special rate area.
- 1.3.20 "Permanent Disconnect" - A discontinuance of service in which the facilities used for the service are made available for use for another service.

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- 1.3.21 "Residence" - The residence (dwelling unit) shall consist of that portion of an individual house or building or one flat or apartment occupied entirely by a single family or individual functioning as one domestic establishment.
- A room or portion of a residence occupied exclusively by an individual not sharing equally as a member of the domestic establishment may be considered a separate dwelling unit for the application of Universal Lifeline Telephone Service.
- 1.3.22 "Residence Service" - Exchange access service furnished to a customer at a residence or place of dwelling where the actual or obvious use is for domestic purposes and not for business purposes.
- 1.3.23 "Service Connection Charge" - A charge designed to recover in part certain expenses incident to the provision of telephone service.
- 1.3.24 "Service Supplier" - means any person supplying any of the following:
- 1.3.24.1 InterLATA intrastate telecommunications services.
 - 1.3.24.2 Intrastate telecommunications services on a basis not defined by LATA boundaries. 1/
- 1.3.25 "Service User" - means any person using intrastate telecommunications services in this state. 1/
- 1.3.26 "Telecommunications" - Means the transmission between or among points specified by the user, of information of the user's choosing without change in the form or content of the information as sent and received, by means of electromagnetic transmission, including microwave and satellite, with or without benefit of any closed transmission medium, including all instrumentalities, facilities, apparatus, and services (including the collection, storage, forwarding, switching, and delivery of that information) essential to the transmission. 1/
- 1.3.27 "Telephone" (telephone set, telephone instrument) - A unit of equipment consisting of a transmitter, receiver and associated apparatus.

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- 1.3.28 "Temporary Disconnect" - A temporary discontinuance without termination of the service, made at the request of the customer or on the initiative of the Utility.
- 1.3.29 "ULTS" - Universal Lifeline Telephone Service.
- 1.3.30 "Utility" - A supplier of Intrastate, intraLATA telecommunication services.

1.4 Penalties

Any public utility which violates or fails to comply with this General Order and the rules set forth herein is subject to the penalties set forth in Section 2107 of the California Public Utilities Code and such other penalties as may be provided by law.

2. Tariff Filings

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

2.1 Certification/Recertification Forms

Certification and recertification forms that will be sent as required by Sections 3.12 and 3.13 of this General Order shall be submitted to the Executive Director of the Commission for approval. Telephone utilities shall allow five (5) working days for such approval. Once approved the forms need not be resubmitted unless changes are made. Telephone utilities shall also file these forms as part of their tariffs pursuant to C.P.U.C. Code 489 and as outlined in CPUC General Order 96-A.

2.2 Notices

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

3. Eligibility Criteria and Characteristics of the Service Subsidy

- 3.1 Universal Lifeline Telephone Service is available to all residence customers who meet the following eligibility requirements:
- 3.1.1 The residence at which the service is requested is the customer's principal place of residence.
 - 3.1.2 There is only one exchange access service servicing that residence.
 - 3.1.3 Based on current income, the customer's total household income does not exceed the income limitation set by the Commission.
 - 3.1.1.1 The income limitation will be adjusted by the Commission each year for inflation based on the Federal Consumer Price Index (CPI). The adjustment will be made for each full calendar year, using 1984 as the base year. The adjusted income level will be established by the Commission no later than February 15 of the subsequent year.
 - 3.1.1.2 No customer who is claimed as a dependent on another person's income tax return shall be eligible for ULTS.
- 3.2 Universal Lifeline Telephone Service is available to eligible residence customers subscribing to individual, two-party, four-party and suburban service. In those areas where measured service is available ULTS will be measured.
- 3.3 Universal Lifeline Telephone Service includes the following:
- 3.3.1 50% of the service connection charges for the provision of one exchange access service; one telephone if available, and the associated modular jack, if required.
 - 3.3.2 A 75¢ monthly credit allowance applied toward leasing, purchasing, or maintaining a telephone instrument.
 - 3.3.3 50% of the monthly rate for exchange access service, including any applicable mileage charges.

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

- 3.9.1 Those customers who self-certify their eligibility prior to July 1, 1984 will be automatically converted to Universal Lifeline Telephone Service on July 1, 1984.
- 3.9.2 Those customers whose certification is received by the Utility prior to October 1, 1984 will have their bills adjusted (excluding usage) to reflect the Universal Lifeline Telephone Service rates retroactive to July 1, 1984.
- 3.9.3 All customers who self-certify their eligibility on or after October 1, 1984 will receive the Universal Lifeline Telephone Service rates commencing with their next billing period.
- 3.10 New applicants for telephone service will be advised of the availability of Universal Lifeline Telephone Service and if eligible will be furnished with the necessary self-certification forms. Those applicants who do not return a signed self-certification form to the Utility within 30 days will be changed to regular tariffed rates. The regular tariffed rates will be retroactive to the date the Universal Lifeline Telephone Service began. If reduced service connection charges were applied, the difference between reduced charges and regular tariffed charges will be billed to the applicant. Such applicants who do not return a signed self-certification form to the utility within 30 days will be subject to the utility's rules applicable to the establishment of credit.
- 3.11 Recipients of Universal Lifeline Telephone Service must notify the Utility of a change in any condition which occurs that would cause the household to no longer qualify for the service or if the service no longer meets the household needs. Upon receipt of notification, the Utility will change the service to regular tariffed rates for the service furnished. Service Connection Charges will not apply to the change in service.

If the Utility discovers that conditions exist which cause the recipient not to qualify for Universal Lifeline Telephone Service, the customer will be notified that the service will be converted to regular tariffed rates, retroactive to the date the customer can prove they became ineligible. If the customer cannot prove when they became ineligible, the Utility will bill the

customer retroactive to the last certification date for the difference between Universal Lifeline Telephone Service rates and the regular tariff rates for the service furnished, including Service Connection Charges and deposits, if applicable.

- 3.12 Eligible recipients are required to recertify upon notice from the utility. The Utility will mail recertification forms to each recipient of the service annually. If the recipient fails to return the recertification forms within 30 days, the customer's service rates will be converted to the regular tariffed rates for the type, class, and grade of service furnished. Deposit requirements will be applied in accordance with applicable tariffs. Non-recurring charges will not apply to the change in service.
- 3.13 The Utility will annually mail a notification of availability and a self-certification form to all residence customers.
- 3.14 Except as specifically modified by this General Order, all rules, regulations, charges and rates in conjunction with the services furnished elsewhere in the tariffs are also applicable to the service provided under ULTS.
- 3.15 Optional services and equipment, except as set forth in Section 3.3, are not included in Universal Lifeline Telephone Service rates, but will be available to Universal Lifeline Telephone Service customers at applicable tariffed rates and charges.
- 3.16 Universal Lifeline Telephone Service rates and the telephone set allowance credit shall be applied to each monthly statement for the months this service is furnished and shall apply only for the duration of this service.

4. Monthly Reports to the Commission

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

4.1 Timing and Format

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

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4.2 Accessibility to Accounting Data to Commission

The Commission shall, at any time, have access to all accounting data they deem necessary to verify the telephone corporation's monthly reports.

4.3 Accessibility of Information to the Public

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

5. Claims for Reimbursement

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

5.1 Format

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

5.2 Carrying Charge

A 1.50% monthly carrying charge will be applicable to the reimbursable amount between the midpoint of the reporting month and the filing date of the quarterly statement or 30 days after the end of the quarter for which a quarterly statement is provided, whichever is sooner. The 1.50% monthly carrying charge will also be applicable to the reimbursable amount from the filing date of the quarterly statement with the Commission until the estimated date of payment by the State. To the extent that the estimated date of payment by the State is in error, a true-up to the actual date of payment by the State will be paid in the following quarterly claim without any additional carrying charges applied to the time between quarterly claims. Because the 1.5% is an un compounded rate, subsequent carrying charge calculations will be applied to the amount of the original claim, without regard to any carrying charge that has been accrued on the amount. The development of the carrying charges shall be shown on quarterly statements.

5.3 Payment of Claims for Reimbursement

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

5.3.1 Approved Claims

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

5.3.2 Rejected Claims

Upon rejection of a claim the Commission shall return the claim to the originating telephone corporation along with a detailed explanation of the reason(s) for rejection. No carrying charge will be applied to the time lapsed between submittal of a rejected claim and the rejection of such claim. All final determination of disputed claims will be made by the Commission.

6. Payment of Tax By Service Suppliers

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

7. Determination of Service Suppliers

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

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

Appendix A

File No.: G.O. No. ____

Universal Lifeline Telephone Service
Monthly Report

Report Period _____ 19 _____

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

Company: _____
Address: _____

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

Appendix B

File No.: G.O.No. _____

UNIVERSAL LIFELINE TELEPHONE SERVICE
QUARTERLY CLAIM STATEMENT

Company: _____ Quarter: _____

Date Filed: _____

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

Current Quarter

_____ filed _____

Reimbursement Due for Period

Carrying charge from _____
through _____

_____ filed _____

Reimbursement Due for Period

Carrying charge from _____
through _____

_____ filed _____

Reimbursement Due for Period

Carrying charge from _____
through _____

Total Current Quarter

Prior Quarter

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

Prior Period Adjustment (See Attached)

Total Fund Claim _____

Send Payment to: _____

Prepared By: _____ Date: _____ Phone No. _____

Approved By: _____ Date: _____ Title: _____

(END OF APPENDIX A)