PUBLIC UTILITIES COMMISSION 505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



December 24, 2024

To: California LifeLine Service Providers

Subject: GUIDANCE REGARDING THE LIFELINE USAGE REQUIREMENT ON SUPPLEMENTAL DATA FOR CLAIMS (ADMINISTRATIVE LETTER 7)

On October 25, 2024, the Communications Division (CD) issued Administrative Letter 6¹ reminding Eligible Telecommunications Carriers (ETCs) of the non-usage requirements specified under the Federal Communications Commission's Wireline Competition Bureau.² Under the FCC's rule, all ETCs must track the usage of subscribers who are not paying a monthly fee. A one-time fee or a fee collected from the subscriber annually decremented monthly does not satisfy the rule's requirement to "assess and collect a monthly fee".³ If the subscriber is not paying a monthly fee, the subscriber must use the service once every thirty (30) calendar days to remain eligible for CA LifeLine service.

Service Providers Rate Group Update:

Effective with December 2024 claims submissions, all California LifeLine Service Providers offering wireless service plans that require subscribers to pay a monthly fee for service must assign said subscribers to one of the following rate groups:

- **CAwireless0ormore-\$0.01-\$9.99** if the monthly out-of-pocket subscriber cost is \$0.01 to \$9.99
- **CAwireless10ormore-\$10-\$19.99** if the monthly out-of-pocket subscriber cost is \$10.00 to \$19.99
- CAwireless20ormore-\$20-\$999 if the monthly out-of-pocket subscriber cost is \$20.00 or more

Service Providers must reassign subscribers to the new rate groups in the TPA database, as appropriate, by January 30, 2025. In addition, each Service Provider subject to this rule must include monthly customer statements that include the monthly fee collected for the month claimed to <u>lifelineclaim@cpuc.ca.gov</u> when submitting CA LifeLine claims through eCAP.

The non-usage rule applies to all CA LifeLine wireless service plans. For plans with copayments, we require Service Providers to submit proof of monthly subscriber payment.

² See Wireline Competition Reminds Eligible Telecommunications Carriers of Lifeline Requirements, Public Notice, DA 24-489 (rel. May 23, 2004), available here: <u>https://docs.fcc.gov/public/attac6hments/DA-24-489A1.pdf</u>.
³ Id.

¹ See Administrative Letter 6 - <u>notice-to-all-california-lifeline-service-providers-usage-requirement-admin-letter-6.pdf</u>

The proof of monthly payments must be submitted to lifelineclaim@cpuc.ca.gov and KiteWorks. Claims will be rejected if proof of monthly subscriber payments are not submitted.⁴

Subscriber Activities Which Evidence "Usage"

Any of the following activities of a subscriber establishes "usage" of the LifeLine service:

- Completing an outbound call or using data
- Buying minutes or data to add to their service plan,
- Answering an incoming call from someone other than their service provider or an agent or representative of their service provider
- Responding to direct contact from their service provider and confirming that they affirmatively want to continue receiving LifeLine service
- Sending a text message

Subscriber Service Termination⁵

- California LifeLine service providers must provide a 15-day notice to subscribers who do not use the service for 30 consecutive days, informing them that failure to use the service will result in the termination after 15 days.
- California LifeLine service providers are required to de-enroll subscribers if they fail to use the service during the 15-day cure period.
- California LifeLine service providers will not receive reimbursement for subscribers who fail to use the service during the 30 consecutive days and do not cure their non-usage within the 15-day cure period.

If you have any questions regarding this notice, please contact Tina Lee at 415-703-2285 or $\underline{U17@cpuc.ca.gov}$.

Sincerely,

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for Gelareh Safavi Communications Division Program Manager California Public Utilities Commission

⁴ See General Order 153, Section 9.7.1.1

⁵ See 47 C.F.R. § 54.405(e)(3); see also General Order 153, Section 5.7.2.