

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



February 27, 2009

## NOTICE TO CARRIERS PROVIDING RESIDENTIAL TELEPHONE SERVICE

The California Public Utilities Commission (Commission) adopted in Decision (D.) 08-08-029 a pre-qualification requirement for the California LifeLine Telephone Program (California LifeLine or LifeLine). The Communications Division (CD) conducted a workshop per D.08-08-029 on September 28, 2008 to discuss issues related to implementing the pre-qualification requirement. We appreciate the workshop participants' input during the workshop and on the draft workshop report. We issue this letter to provide carriers and stakeholders the Communications Divisions Pre-Qualification Implementation Plan, areas where CD proposes General Order (GO) 153 modifications, and a link to the final workshop report.

### Implementation Plan:

Using information developed from the workshop and the requirements of the Commission's decision, CD developed the Pre-Qualification Implementation Plan contained in Appendix A. The plan identifies milestones and key activities to ensure that the pre-qualification requirement will be implemented on July 1, 2009. In order to aid carriers and to improve our understanding of each carrier's plans to meet the pre-qualification requirement, carriers are required to provide implementation plans to CD by March 29, 2009. The data request is provided in Appendix B.

### General Order 153 Modifications:

CD is preparing a resolution to address issues including carrier compensation during the period between when a customer requests California LifeLine discount and when eligibility is determined; to clarify the appropriate time when conversion fees should be applied; and to restructure the claim forms for cost reimbursement. The resolution will also incorporate administrative changes to GO 153 to account for the alternative names for Temporary Assistance for Needy Families and Food Stamps, incorporate the cost of living adjustment to the California LifeLine rates, and require carriers to acquire certain information from the consumer applicable when customers transfer between service providers. The resolution process will provide stakeholders opportunity to communicate any concerns related to the proposed GO 153 revisions.

### Workshop Results:

At the workshop, CD gathered information on possible milestone dates, issues that might need to be addressed during implementation, and participants' preferences and priorities. A draft report was circulated on January 12, 2009. The final workshop report, which gives a factual account of the various topics discussed and provides some staff conclusions regarding issues raised by participants, can be found on the Commission's website at:

[ftp://ftp.cpuc.ca.gov/Telco/September\\_29\\_2008\\_Workshop\\_Staff\\_Report.doc](ftp://ftp.cpuc.ca.gov/Telco/September_29_2008_Workshop_Staff_Report.doc)

### LifeLine Working Group is a Forum to Discuss Implementation Details

I appreciate that each carrier will be required to make substantial modifications to their business practices and systems. The LifeLine Working Group is an excellent vehicle to reduce confusion regarding implementation of the pre-qualification requirement. CD strongly encourages carriers to

participate in the bi-weekly LifeLine Working Group conference calls. These calls provide an effective and timely mechanism for carriers and other stakeholders to work with staff to address and resolve LifeLine issues, including implementation of the pre-qualification requirement. CD staff looks forward to working with carriers and other stakeholders to successfully implement the new requirements. Please contact Cherrie Conner at (415) 703-2767 or Benjamin Schein at (415) 703-1088 for further information about the LifeLine Working Group.

Sincerely,



Jack Leutza, Director  
Communications Division

**Appendix A**  
**COMMUNICATIONS DIVISION'S PLAN FOR**  
**IMPLEMENTING THE PRE-QUALIFICATION REQUIREMENT**

<b>Date</b>	<b>Milestone</b>
February 27, 2009	Communications Division (CD) mails the administrative letter, the plan and timeline for implementing pre-qualification, and the workshop report
March 1, 2009	Recommended date for carriers to submit call center scripts for review and approval
March 17, 2009	Communications Division mails the 30-day Section 311 Resolution to revise General Order (GO) 153
March 29, 2009	Deadline for carriers' response to data request regarding budget and implementation plan
April 1, 2009	Deadline for carriers to submit call center scripts for review and approval
April 16, 2009	Estimated date for approval of Resolution
April 2009	<ul style="list-style-type: none"> <li>• Richard Heath and Associates, Inc. (RHA) updates outreach materials, training manuals, and call center scripts to include pre-qualification information</li> <li>• Solix updates call center scripts, forms, letters, and Interactive Voice Response system</li> </ul>
May 2009	<ul style="list-style-type: none"> <li>• Training for outreach entities starts</li> <li>• Training for Consumer Affairs Branch's (CAB), Solix's, RHA's, and some carriers' call center staff begins</li> <li>• California Public Utilities Commission's (CPUC) and Solix's websites updated</li> </ul>
June 1, 2009	<ul style="list-style-type: none"> <li>• Deadline for carriers to file tariff changes via advice letter</li> <li>• Some carriers begin sending customer notifications about the pre-qualification requirement</li> </ul>
July 1, 2009	Pre-qualification requirement takes effect

<b>Activity #</b>	<b>Activity Description</b>	<b>Start</b>	<b>End</b>	<b>Assigned Stakeholders</b>
<b>A</b>	<b><i>Forms and Letters Distributed by Solix</i></b>	<b>09/28/08</b>	<b>07/01/09</b>	
A.1	Review and adjust application forms	04/01/09		CD, Solix
A.2	Review and adjust confirmation letters	04/01/09		CD, Solix
A.3	Review and adjust transfer confirmation letters	04/01/09		CD, Solix
A.4	Acquire comments for changes made to forms and letters	09/28/08		CD
A.5	Finalize forms		07/01/09	CD, Solix
<b>B</b>	<b><i>Websites</i></b>	<b>05/01/09</b>	<b>07/01/09</b>	

<b>Activity #</b>	<b>Activity Description</b>	<b>Start</b>	<b>End</b>	<b>Assigned Stakeholders</b>
B.1	Review and develop changes for CPUC's website	05/01/09	05/31/09	CD
B.2	Review and develop changes for www.californialifeline.com	05/01/09	05/31/09	CD, Solix
B.3	Review and develop changes for each carrier's website, if applicable		07/01/09	<b>Carriers</b>
B.4	Update CPUC's website	05/01/09	05/31/09	CD
B.5	Update www.californialifeline.com	05/01/09	05/31/09	Solix
B.6	Update Public Advisor Office's (PAO) websites	05/01/09	05/31/09	PAO
B.7	Update each carrier's website, if applicable		07/01/09	<b>Carriers</b>
<b>C</b>	<b><i>Call Center Scripts</i></b>	<b>10/22/08</b>	<b>04/30/09</b>	
C.1	Develop draft pre-qualification messages	10/22/08	02/06/09	CD, PAO, Legal Division, News & Public Information Office
C.2	Acquire comments on draft pre-qualification messages	10/22/08	02/06/09	CD
C.3	Provide approved pre-qualification messages	02/06/09	02/06/09	CD
C.4	Carriers submit red-lined draft scripts to CD	03/01/09	04/01/09	<b>Carriers</b>
C.5	Review and approve carriers' draft scripts	03/01/09	04/30/09	CD
C.6	Revise RHA's call center scripts	02/23/09	04/30/09	CD, RHA
C.7	Revise Solix's call center and interactive voice recognition scripts	04/01/09	04/30/09	CD, Solix
<b>D</b>	<b><i>Training Call Centers</i></b>	<b>04/01/09</b>	<b>06/30/09</b>	
D.1	Update training manuals	04/01/09	04/30/09	CD, CAB, RHA, Solix
D.2	Train RHA call center staff	05/01/09	05/31/09	RHA
D.3	Train CAB call center staff	05/01/09	06/30/09	CAB
D.4	Train Solix call center staff	05/01/09	06/30/09	Solix
D.5	Train carriers' customer service representatives		06/30/09	<b>Carriers</b>
<b>E</b>	<b><i>Training Outreach Entities</i></b>	<b>04/01/09</b>	<b>05/31/09</b>	
E.1	Modify training material	04/01/09	04/30/09	CD
E.2	Provide training material to PAO		05/01/09	CD
E.3	Train PAO's outreach entities	05/01/09	05/31/09	PAO
E.4	Train RHA's outreach entities	05/01/09	05/31/09	CD, RHA
<b>F</b>	<b><i>Outreach Materials</i></b>	<b>04/01/09</b>	<b>06/30/09</b>	
F.1	Review and update outreach materials	04/01/09	04/30/09	CD, RHA
F.2	Post outreach materials on CPUC's website	06/01/09	06/30/09	CD
<b>G.</b>	<b><i>Customer Notification</i></b>			
G.1	Develop customer notification information		06/01/09	<b>Carriers</b>
G.2	Submit customer notification for review and approval, if applicable		06/01/09	<b>Carriers</b>

Activity #	Activity Description	Start	End	Assigned Stakeholders
G.3	Review and approve customer notification, if applicable		06/01/09	CD, PAO
G.4	Distribute customer notification information			Carriers
<b>H</b>	<b>Carrier Data Request</b>	<b>02/27/09</b>	<b>03/29/09</b>	
H.1	Send carriers data request	02/27/09	02/25/09	CD
H.2	Submit responses to data request	02/27/09	03/29/09	Carriers
<b>I</b>	<b>Tariff Changes</b>	<b>06/01/09</b>	<b>07/01/09</b>	
I.1	Submit tariff changes via filing Tier 2 Advice Letter	06/01/09	06/01/09	Carriers
I.2	Approved tariff changes become effective, if submitted by 06/01/09		07/01/09	
<b>J</b>	<b>Software Modifications</b>		<b>07/01/09</b>	
J.1	Develop changes to be made to Information Technology (IT) systems		07/01/09	Carriers
J.2	Implement IT systems' modifications		07/01/09	Carriers
J.3	Test changes developed for IT systems		07/01/09	Carriers
<b>K</b>	<b>Revising GO 153</b>	<b>02/09/09</b>	<b>04/16/09</b>	
K.1	Draft changes to GO 153	02/09/09		CD
K.2	Mail 30-day Section 311 Resolution to revise GO 153		03/17/09	CD
K.3	Acquire approval for Resolution		04/16/09	CD
<b>L</b>	<b>California LifeLine Claim Form</b>	<b>02/09/09</b>	<b>04/16/09</b>	
L.1	Restructure claim form	02/09/09	03/17/09	CD

#### Carriers' IT Systems:

- IT systems should be able to treat and maintain LifeLine applicants as regular customers until they are approved for LifeLine
- IT systems should be able to track the date the LifeLine applicant's service begins
- IT systems must be capable of offering and printing paper refund checks

#### Claims:

- Carrier claims for the period beginning July 2009 should be made using the restructured claim form.
- Administrative cost claims for implementation of pre-qualification should conform to the schedules and budgets submitted by each carrier.
- Bad debt claims under pre-qualification should reflect the rules set forth in the Decision 08-08-029.
- Competitive local exchange carriers that claim the Cost Factor should report prior months' customers (subsequently approved) under the "True-ups" line.

Note: Highlighted cells identify tasks that telecommunications carriers will need to undertake.

**Appendix B**  
**DATA REQUEST REGARDING CARRIERS' IMPLEMENTATION OF THE**  
**PRE-QUALIFICATION REQUIREMENT**

Carriers need to submit to the Communications Division a schedule of key deliverables necessary to meet the implementation date of July 1, 2009. This schedule should include significant steps to be taken for implementing the pre-qualification requirement, target dates, and a proposed budget.

Carriers also need to include an implementation cost estimate broken out by cost categories (IT, Training, etc.), as well as a notation showing the cost element as either "one-time" or "ongoing"

**Responses to this data request are due by March 29, 2009.** Please submit responses via e-mail to Benjamin Schein at [bda@cpuc.ca.gov](mailto:bda@cpuc.ca.gov) or mail at the following address:

Benjamin Schein  
 California Public Utilities Commission  
 505 Van Ness Avenue, 3rd Floor  
 San Francisco, CA 94102

If there are any questions, please contact Cherrie Conner at (415) 703-2767 or Benjamin Schein at (415) 703-1088.