

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 13, 2012

To: All Carriers filing LifeLine Claims

Re: LifeLine Claims – Implementation Costs relating to transition to a new third-party administrator, Xerox

The Communications Division (CD) is currently in the process of switching to a new third-party administrator for the California LifeLine Program. Due to this transition, we understand that some carriers are having to make certain changes to their information technology (IT) systems. Carriers may claim these incremental LifeLine related costs as a one-time implementation cost on Line 10 of the claim form.

Implementation cost for the transition is for any IT changes (software/hardware) upgrades/changes/testing that were/are necessary because of the LifeLine administrator change to Xerox. Please note that Resolution T-17366 authorizing the transition cost also does not allow for cost recovery for FCC related changes. "Any expenses associated with implementing the changes required by the FCC's Lifeline Reform Order, will not be reimbursable from the California LifeLine Fund." All other incremental LifeLine related expenses may be reported as administrative expenses (line 8 or 9) on the claim form. Note that due to the administrator change to Xerox, conference calls and training cannot be recovered under implementation because it is not IT related. However incremental LifeLine related costs are already covered under the administrative expense portion of the claim form (line 8 or 9).

Please see Resolution T-17366, p.13 for more details.

To prevent delaying of the claim approval process, please include the Commission Order number on Line 10 of the claim form so that the CD staff can refer back to the correct document. Also include a detail explanation of the type of IT work that was done. Please provide the detailed explanation on the claim spreadsheet, under description on tab 10 of the claim form workbook.

If you have any questions, please call Cherrie Conner at 415-703-2767.

A handwritten signature in blue ink, appearing to read "Jonathan Lakritz".

Jonathan Lakritz, Program Manager
Communications Division