STATE OF CALIFORNIA ARNOLD SCHWARZENEGGER, *Governor*

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

Administrative Letter No. 16

November 20, 2008

To: Carriers Serving Customers Approved for California Teleconnect Fund (CTF) Discounts

Re: Commission Decision 08-06-020 CTF Implementation

In Decision 08-06-020, the Commission ordered, among other things, several key changes to the CTF program as follows:

Internet Access Service

Effective December 1, 2008, carriers[1] may voluntarily offer Internet access service to qualifying CTF participants at the CTF discount. To facilitate the implementation of this service, the discount will be provided on the Internet access service and its related services identified on the Federal Communications Commission - Universal Service Administrative Company Schools and Libraries Division's E-rate eligible services. This definition can be viewed at:

http://www.usac.org/_res/documents/sl/pdf/els_archive/2008-eligible-services-list.pdf

Additionally, the Commission will provide the CTF discount on Internet access services, subject to budget constraints set forth in Resolution T-17162[2], for the following modalities: (1) PDA/cell phone data plan; (2) laptop card; (3) stationary; or (4) satellite/microwave frequency. Claims for the Internet access service will be processed on a first-come first-served basis. Additional information on the CTF claim payment process can be obtained from Administrative Letter No. 17.

In order to encourage carriers to participate in the offering of Internet access services to CTF participants, the Commission eliminated the tariffing requirements for all carriers that provide CTF-eligible services on a detariffed basis or other providers not regulated by the Commission. However, carriers are required to include with their claim submittals the rates of the services that were in effect at the time of the service provisioning or an electronic link to a website with such information for detariffed and unregulated services. Please refer to Administrative Letter No. 17 for further information on the CTF claim process.

[1] Certificated or registered carriers with the California Public Utilities Commission and wireless and cable broadband Internet service providers in partnership with certificated or registered carriers.

[2] Resolution T-17162 provides a budget of over $14 million for Internet access service for FY 09-10 and $13.352 for other expenses related to D.08-06-020 for FY 08-09.

California Community Colleges

Effective December 1, 2008, California Community Colleges will become eligible to receive CTF-eligible services at discounted rates. The Commission has set an annual limit of $7.2 million, adjusted yearly based on the Western-CPI rate index. Claim payments by CTF participating carriers will be processed on a first-come-first-served basis. For further information on the claim payment process, please refer to Administrative Letter No. 17.

California Telehealth Network

This administrative letter clarifies Ordering Paragraph 16 of D.08-06-020 that all CTN-related services, which may include multi-protocol label switching, will be eligible for CTF discounts.

Non-Profit Community Based Organizations (CBOs) that Provide 2-1-1 Referral Services

This administrative letter clarifies that non-profit CBOs providing 2-1-1 information and referral services[3] that have been approved by the Commission through a resolution process are eligible for CTF discount. The discount effective date will be the CTF application date filed with the Commission provided the CBOs have 501(c)(3) IRS tax exempt status letter and Form 990.

Concluding Comment

Finally, due to the rapidly changing technologies offered by the telecommunications industry, the Communications Division does not intend for this to be an exhaustive list, but a starting point for Internet access services. The Communications Division will continue to refine and update the definition of Internet access services set forth herein through an administrative letter process.

Please direct your question regarding this administrative letter to the following staff:

Nate Christo	(415) 703-1069	NC2@cpuc.ca.gov
Adam Clark	(415) 703-5212	ajc@cpuc.ca.gov
Fe Lazaro	(415) 703-2627	fnl@cpuc.ca.gov

Sincerely yours,

Jack Leutza, Director
Communications Division

[3] Pursuant to D.03-02-029, these CBOs provide 2-1-1 dialing assistance to Californians easy access to information concerning child care services, housing assistance, physical and mental health resources, aging and hospice services, and educational and other programs.