STATE OF CALIFORNIA

Edmund G. Brown Jr., *Governor*

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

June 20, 2011

John M. Leutza, Director
Communications Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: Universal Lifeline Telephone Service (ULTS) Trust Administrative Committee Fund Proposed Program Expenditures for FY 2012-13

Dear Mr. Leutza:

Pursuant to the duties and responsibilities charged under Article 4.1.(a) of the Charter of the ULTS Trust Administrative Committee (AC), the ULTS-AC proposes a $356,891,000 program expenditure budget for Fiscal Year (FY) 2012-13 attached as Appendix A. In developing this budget, we have considered the following:

- FY 2012-2013 ULTS estimated claims from carriers;
- Carrier Implementation Costs of Decision 10-11-033;
- R 11-03-013;
- California LifeLine Administrator Contract cost per RFP 09PS5848;
- Marketing and Outreach Contracts;
- LifeLine technical consultant contract;
- The program's pro-rata share of state control agencies costs;
- Commission staff costs for administering the California LifeLine program;
- Audit requirements set forth in Public Utilities Code §274;
- Committee meeting expenses for 6 regular and 4 sub-committee meetings;
- Upgrades necessary to development and implement an electronic claims processing system; and
- Other operating costs.

Anyone may protest or respond to this request. Any responses and/or protests must be made in writing and received by the Commission within 20 days from the date that the notice of this request appeared in the Commission's Daily Calendar. The address for mailing or delivering a protest or response is:

California Public Utilities Commission
Attn: Director, Communications Division
505 Van Ness Avenue
San Francisco, CA 94102

Ken McEldowney, Chair

cc: Commissioners
Parties of Record in R. 11-03-013

# Appendix A

| All numbers in 000's | | FY 2008-2009 | FY 2009-2010 | FY 2010-2011 | FY 2011-2012 | FY 2012-2013 |
|---|---|---|---|---|---|---|
| | | Adopted Budget (Res T-17091) | Adopted Budget, (Res T-17161) | AC Adopted | CPUC Proposed to Legislature | AC Adopted |
| A | Carrier Claims: | | | | | |
| 1 | Carrier Claims | $275,625 | $300,000 | $388,000 | $348,000 | $330,000 |
| 2 | Sub-Total | $275,625 | $300,000 | $388,000 | $348,000 | $330,000 |
| | | | | | | |
| B | Administrative Committee Costs: | | | | | |
| 1 | AC-Per Diem | $18 | $18 | $18 | | $18 |
| 2 | AC-Travel | $18 | $18 | $18 | | $18 |
| 3 | AC-Other Costs | $0 | $5 | $5 | | $5 |
| 4 | Sub-Total | $36 | $41 | $41 | $41 | $41 |
| | | | | | | |
| C | CPUC Staff and Admin Costs: | | | | | |
| 1 | Staff Costs | $2,020 | $2,722 | $1,836 | | $2,000 |
| 2 | Pro-Rata Interagency Cost | $1,429 | $1,600 | $1,203 | | $2,400 |
| 3 | Marketing/Outreach | $7,000 | $6,000 | $6,000 | | 6,000 |
| 4 | Call-Center | $775 | $800 | $800 | | |
| 5 | 3rd Party Administrator | $20,000 | $20,000 | $20,000 | | |
| 6 | LifeLine Administrator w/Call Center | | | | | $14,050 |
| 7 | LifeLine Consultant – Contract | | | | | $200 |
| 8 | Audits | $750 | $60 | $1,400 | | $1,400 |
| 9 | Banking Fees | $30 | $30 | $5 | | $50 |
| 10 | Data Processing Automation | $50 | $50 | $50 | | $750 |
| 11 | Sub-Total | $32,054 | $30,262 | $31,294 | $27,559 | $26,500 |
| | | | | | | |
| D | Total Program Budget | $307,715 | $331,303 | $419,335* | $375,600 | $356,891 |

* Legislature adopted ULTS Budget of $420,067,000

** Audit Staff Cost included in "Staff Costs" : No contract cost incurred