June 26, 2012

JUL - 2 2012

Michael C. Amato
Acting Director, Communications Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: Request to publish Communications Division's proposed California LifeLine (LifeLine) Expense Budget for FY 2013-2014 in the Commission's Daily Calendar.

Pursuant to Article 4.1.(a) of the Charter of the LifeLine Administrative Committee (ULTS-AC), the ULTS-AC is charged to submit a proposed expense budget for the fiscal year 2013-14 by June 1, 2012.

Although we were unable to meet the June 1st due date, the ULTS-AC posted a meeting on the Commission's Daily Calendar to meet on June 25, 2012 to discuss the budget. Because of scheduling issues for some AC members, we were unable to have a quorum to officially approve this budget. We are however, sending you the Communications Division's proposed expense budget, so that the public will have an opportunity to review and comment on it.

Ken McEldowney

Ken McEldowney, Chairperson
California LifeLine Administrative Committee

Cc: Commissioners
Service List for R. 11-03-013

Attachments

STATE OF CALIFORNIA

Edmund G. Brown Jr., *Governor*

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

June 26, 2012

Michael C. Amato, Interim Director
California Public Utilities Commission – Communications Division
505 Van Ness Avenue
San Francisco, CA 94102

Re: Universal Lifeline Telephone Service (ULTS) Trust Administrative Committee Fund Proposed Program Expenditures for FY 2013-14

Dear Mr. Amato:

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 $278,753,000 program expenditure budget for Fiscal Year (FY) 2013-14 attached as Appendix A. In developing this budget, we have considered the following:

- FY 2013-2014 ULTS estimated claims from carriers;
- Carrier Implementation Costs;
  - R 11-03-013;
  - FCC 12-11;
- California LifeLine Administrator Contract cost per RFP 11PS5848;
  - Adjusted for estimated increase due to FCC 12-11;
- Outreach and marketing contracts;
- CA 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

Ken McEldowney, Chair

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

Appendix A

All numbers in 000's		FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
		Adopted Budget (Res T-17161)	AC Adopted	CPUC Proposed to Legislature	Adopted Budget (Res T-17332)	AC Adopted
A	Carrier Claims:					
1	Carrier Claims	$300,000	$388,000	$348,000	$330,000	$253,200
2	Sub-Total	$300,000	$388,000	$348,000	$330,000	$253,200
B	Administrative Committee Costs:					
1	AC-Per Diem	$18	$18		$18	$18
2	AC-Travel	$18	$18		$18	$18
3	AC-Other Costs	$5	$5		$5	$5
4	Sub-Total	$41	$41	$41	$41	$41
C	CPUC Staff and Admin Costs:					
1	Staff Costs	$2,722	$1,836		$1,280	$1,393
2	Pro-Rata Interagency Cost	$1,600	$1,203		$1,906	$1,906
3	Marketing/Outreach	$6,000	$6,000		$6,000	$6,000
4	Call-Center	$800	$800			
5	3rd Party Administrator	$20,000	$20,000			
6	LifeLine Administrator w/Call Center				$14,050	$14,405
7	LifeLine Consultant – Contract				$200	$200
8	Audits	$60	$1,400		$200	$300
9	Banking Fees	$30	$5		$0	$0
10	Data Processing Automation	$50	$50		$1,308	$1,308
11	Sub-Total	$30,262	$31,294	$27,559	$24,944	$25,312
D	Total Program Budget	$331,303	$419,335*	$375,600	$354,985	$278,753

* Legislature adopted ULTS Budget of $420.067 million.