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SAN FRANCISCO, CA 94102-3298



November 1, 2021

To: California LifeLine Service Providers

SUBJECT: NOTICE OF SPECIFIC SUPPORT CALCULATION FOR 2021

This letter is to inform all California LifeLine Service Providers of the new Specific Support Amount, effective January 1, 2022.

Background

In Decision (D.) 10-11-033, adopted November 19, 2010, the California Public Utilities Commission (Commission) established a new California LifeLine subsidy methodology and claim system for California LifeLine service providers. Resolution T-17321, issued September 22, 2011, revised General Order 153 (effective December 1, 2011) to incorporate changes necessary to implement the Specific Support Amount (SSA) methodology adopted by D.10-11-033. For every subscriber reported by the California LifeLine administrator, each California LifeLine service provider receives a subsidy up to the SSA.

D.10-11-033, Ordering Paragraph (OP) 6, provides the California LifeLine SSA calculation methodology. The SSA is calculated by taking 55% of the highest basic flat rate of the four Carriers of Last Resort (COLRs) as reported to the Commission on August 1st of the previous year. The SSA rates go into effect January 1st of the following year.

Calculation

The four largest Uniform Regulatory Framework (URF) COLRs reported their highest basic flat service rates effective July 31, 2021, as follows:

AT&T California	\$29.50
Consolidated Communications of California Company	\$24.44
Frontier California Inc.	\$22.50
Frontier Communications of the Southwest Inc.	\$22.50

Of the four, AT&T's rate of \$29.50 represented the highest basic flat rate service amount. Therefore, using the formula given in D.10-11-033 and GO 153, the SSA is computed as follows:

$$\$29.50 \times 55\% = \$16.225, \text{ rounded to } \underline{\$16.23} \text{ (the nearest } \$0.05)$$

As a result, starting January 1, 2022, the SSA will be \$16.23 until the Commission revises the SSA methodology. As set forth in D.10-11-033, OP 24, service providers are required to reduce

customer bills by the total reimbursement amount they receive from the California LifeLine Program. In addition, Carriers are required to specifically show all reductions as a separate line item or its equivalent, on customers' bills.

Service Providers must file an advice letter if the SSA impacts either the California LifeLine service provider's tariffs or schedule of rates and charges. Should the SSA result in a rate increase for customers, a 30-day customer notice is required, in accordance with disclosure requirements set forth in General Order 153, Section 4.7. California LifeLine service providers should submit a draft notice to the Commission's Public Advisor's Office for review and approval at public.advisor@cpuc.ca.gov with a copy to Tina Lee at tina.lee@cpuc.ca.gov.

If you have any questions regarding this matter, please contact Tina Lee by phone at (415) 703-2285 or via e-mail at tina.lee@cpuc.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Osborn", written in a cursive style.

Robert Osborn
Director, Communications Division