

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



November 1, 2024

To: California LifeLine Service Providers

SUBJECT: NOTICE OF SPECIFIC SUPPORT CALCULATION FOR 2025

This letter is to inform all California LifeLine service providers of the new Specific Support Amount (SSA) effective January 1, 2025.

SSA Background

In Decision (D.) 10-11-033, the California Public Utilities Commission (Commission) established a new California LifeLine subsidy methodology for calculating the Specific Support Amount (SSA). The SSA is calculated by taking 55% of the highest basic flat rate reported by the four Carriers of Last Resort (COLRs) to the Commission as of August 1st of the previous year. The new SSA goes into effect on January 1st of the following year.

SSA Calculation

As of July 31, 2024, the highest basic flat service rates reported by the four COLRs are as follows:

AT&T California	\$37.50
Consolidated Communications of California Company	\$32.44
Frontier California Inc.	\$24.50
Frontier Communications of the Southwest Inc.	\$23.50

Of the four, AT&T's rate of \$37.50 represents the highest basic flat rate service amount. Therefore, using the formula set forth in D.10-11-033, the SSA would be computed as follows:

$$\$37.50 \times 55\% = \$20.625, \text{ rounded to } \underline{\$20.65} \text{ (the nearest } \$0.05)$$

Proposed Decision on SSA Freeze

On November 1, 2024, the Commission issued a Proposed Decision (PD) freezing the SSA at \$19.00. The timeline for this PD is as follows:

- December 5, 2024: The PD is scheduled for a vote.
- If approved: The SSA will remain at \$19.00, effective January 1, 2025, until the Commission modifies the SSA methodology.

- If NOT approved, starting January 1, 2025, the SSA will go up to \$20.65 until the Commission revises the SSA methodology. Per D.10-11-033, Ordering Paragraph 24, service providers are required to reduce customer bills by the total reimbursement amount received from the California LifeLine Program. In addition, all reductions must be clearly itemized on customer bills as a separate line item or its equivalent.

Advice Letter Guidance for 2025

Service providers must file an advice letter (AL) if the SSA impacts either their tariffs or schedule of rates and charges. If the SSA results in a rate increase for customers, providers must provide a 30-day customer notice in compliance with disclosure requirements set forth in General Order 153, Section 4.7. Providers should submit a draft customer 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.

Providers must continue to submit ALs for the new SSA. However, if the Commission approves the SSA freeze at \$19, providers must ensure that any proposed changes align with the SSA freeze. Any ALs requesting approval for LifeLine service changes based on the SSA amount of \$20.65 will be rejected.

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,



Robert Osborn
Director, Communications Division