California High Cost Fund – A Administrative Committee (CHCF-A AC)

January 8, 2015

Tim Sullivan
Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

CHCF-A ANNUAL REPORT FY 2013-14

This CHCF-A Annual Report for FY 2013-14 is submitted to the California Public Utilities Commission by the CHCF-A AC in compliance with California Public Utilities Code Section 273 (b). It includes the approved minutes of the Administrative Committee (AC) for the four meetings held in FY 2013-14.

Robert Lehman, Chair
CHCF-A AC

Attachments:
- FY 2013-14 Annual Report
- CHCF-A AC Meeting Minutes for FY 2013-14

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California High Cost Fund - A
FY 2013-14
Annual Report

Surcharge Rate	Percentage
May 1, 2010	0.11%
December 1, 2010	0.00%
July 1, 2012	0.40%
October 1, 2013	0.18%
January 1, 2015	0.35%

Program Budget	Budget ($ in Millions)	Actual ($ in Millions) (a)
FY 2009-10	$64.712	$38,935
FY 2010-11	$57.591	$40.225
FY 2011-12	$56.283	$37,199
FY 2012-13	$49.773	$34,150
FY 2013-14	$43.803	$34,455
FY 2014-15	$39,312	$11,770 (b)
FY 2015-16	$43,328	
(a) Source: CALSTR report 1CSTARQ16		
(b) Source: CALSTR report 1CSTARQ16 YTD November 2014.		

Year End Fund Balance	($ in Millions)
6/30/2013	$15,764
6/30/2014	$19,939
11/30/2014	$16,321

Year-End Total Access Lines for CHCF-A Small LECs	2011	2012	2013
Calaveras Telephone Co.	3,754	3,692	3,699
Cal-Ore Telephone Co.	2,045	2,014	1,882
Ducor Telephone Co.	1,087	1,014	985
Foresthill Telephone Co.	2,620	2,512	2,588
Happy Valley Telephone Co.	2,995	2,904	2,712
Hornitos Telephone Co.	574	588	574
Kerman Telephone Co.	5,883	5,607	5,455
Pinnacles Telephone Co.	243	230	230
Ponderosa Telephone Co.	8,060	7,984	7,792
Sierra Telephone Co.	19,728	19,238	18,725
Siskiyou Telephone Co.	4,028	3,838	3,730
Volcano Telephone Co.	9,568	9,466	8,320
Winterhaven Telephone	1,133	1,060	1,018
Total	**61,718**	**60,147**	**57,710**

Rural Telecommunications Infrastructure (RTI) Grant Program, As of June 2014 (sunset January 1,2013)

Peak to Peak Mountain Charter School, (formerly Pine Mountain Learning Center), Pine Mountain, CA
Line extension
Phase 2 ResolutionT-17380
Adopted by Commission at November 29, 2012, meeting.

Peak to Peak is West of Lebec and approximately 90 children attend with senior citizen employees. The nearest phone service to Peak to Peak was several miles. There is poor wireless reception. The summer has fire danger and the winter has heavy snow. The project was in Verizon territory but Verizon and AT&T agreed to boundary realignment of their exchanges due to the great distance to Taft, the location of Verizon facilities.

AT&T completed construction in December 2013. Conduit with telephone lines has been trenched and telephone connections to Peak to Peak completed. AT&T installed a telephone plug inside the school offices at CD request.

A telephone line has been trenched to Camp Condor, a camp for kids, several hundred feet from Peak to Peak. A Network Interface Device has been installed.

Apache Saddle Fire Station of the National Forest Service can now order telephone service whenever they wish.

Peak to Peak did not have a proper street address. So Kern County decided to change the name of the street of the school and gave Camp Condor a proper address. AT&T worked with the county to obtain a proper address for Peak to Peak.

Phone service to Peak to Peak was activated on February 24, 2014, for the first time ever.

Camp Condor can call and order telephone service at any time. Once AT&T has arranged a proper address for Peak to Peak they can call and order telephone service.

AT&T submitted the invoice in late December 2014 and will be paid in January 2015.. Contract expiration date was extended to 12/31/2014.

CHCF-A Administrative Committee
Minutes of Meeting of August 21, 2013

Venues

California Public Utilities Commission
505 Van Ness Avenue, Golden Gate Room
San Francisco, CA 94102

Junipero Serra State Office Building
320 West 4th Street, Suite 500
(Corner of West 4th Street and Broadway Street)
Los Angeles, CA 90013

Mammoth Lakes CAO Conference Room
3rd Floor Sierra Center Mall
452 Old Mammoth Road
Mammoth Lakes, California 93546

Attendees

Robert Lehman	Primary Member
Stanley Lee (CPUC Los Angeles)	Primary CBO
Stephen Kalish	Alternate CBO
Sindy Yun	Legal Division
Michelle Morales	Administrative Services-Fiscal
Felix Robles	Communications Division
Michael Coen	Communications Division

The meeting was called to order at 10:05 a.m. by Robert Lehman, Chair.

1. Introductions

Introductions were made.

2. Approval of the May 22, 2013, Public Meeting Minutes

The May 22, 2013, meeting minutes were discussed. Stephen Kalish noted a correction that Michael Amato of Communications Division attended the meeting. Meeting minutes with correction were voted on. Motion by Stanley Lee and seconded by Robert Lehman. Passed unanimously.

3. Administrative Services-Fiscal Services

Michelle Morales presented the Administrative Services-Fiscal reports for CHCF-A fund 0464.

4. Liaison Staff Reports

A. Communications Division

Michael Coen presented:

1. Rural Telecommunications Infrastructure (RTI) Grant Projects:

    1. **Pine Mountain Learning Center**
       Project has been approved and awaiting final approvals from Forest Service and AT&T bidding.

    2. **Channel Islands Telephone Company**
       Resolution T-17402 is on the agenda for the September 5, 2013, Commission Meeting.

    3. **Annual Report**
       Annual Report is due September 1 and will work with Robert Lehman to complete.

B. Legal Division

1. There was no report.

5. CHCF-A Expense Budget for FY 2014-15

Michael Coen stated that the Expense Budget for FY 2014-15, Resolution T-17400 was mailed out on August 6, 2013, for the September 5, 2013, Commission Meeting. The carrier payment numbers are unchanged; however, updated numbers were used for the other components. The committee members should have received a copy of the Notice of Availability.

6. Public Comments

There were no public comments.

7. Future Meeting Dates

The next meeting is set for November 20, 2013. Michael Coen will send meeting reservations for this date to Committee members. The following meeting is tentatively set for February 19, 2014.

8. Adjournment

The meeting adjourned at 10:45 a.m. Robert Lehman moved and Stan Lee seconded.

CHCF-A Administrative Committee
Minutes of Meeting of November 20, 2013

Venues

California Public Utilities Commission
505 Van Ness Avenue, Golden Gate Room
San Francisco, CA 94102

Junipero Serra State Office Building
320 West 4th Street, Suite 500
(Corner of West 4th Street and Broadway Street)
Los Angeles, CA 90013

Mammoth Lakes CAO Conference Room
3rd Floor Sierra Center Mall
452 Old Mammoth Road
Mammoth Lakes, California 93546

Attendees

Robert Lehman	Primary Member
Stephen Kalish	Alternate CBO (Mammoth Lakes)
Sindy Yun (via phone)	Legal Division
Michelle Morales	Administrative Services-Fiscal
Michael Amato	Communications Division
Felix Robles	Communications Division
Michael Coen	Communications Division
Lisa Tse	Cooper White Cooper

The meeting was called to order at 10:10 a.m. by Robert Lehman, Chair.

9. Introductions

Introductions were made.

10. Approval of the August 21, 2013, Public Meeting Minutes

The August 21, 2013, meeting minutes were discussed. Motion by Robert Lehman and seconded by Stephen Kalish. Passed unanimously.

11. Administrative Services-Fiscal Services

Michelle Morales presented the Administrative Services-Fiscal reports for CHCF-A fund 0464.

12. Liaison Reports

a. Communications Division

Michael Coen presented:

2. Annual Report to Executive Director:
   Working with Robert Lehman to complete

3. CHCF-A Order Instituting Rulemaking Status:
   Ruling should be issued in early 2014

4. Resolution T-17427 Calendar Year 2014 Funding:
   Funding for Calendar Year 2014 for the Small ILECs and should be voted by Commission at 12/19/2013, meeting.

5. Rural Telecommunications Infrastructure (RTI) Grant Projects:

   1. **Pine Mountain Learning Center**
      Project is underway and should take three weeks to complete.

   2. **Channel Islands Telephone Company**
      Resolution T-17402 was adopted at the October 3, 2013, Commission Meeting. Channel Islands has filed an Application for Rehearing on Resolution T-17402.

b. Legal Division

1. There was nothing to report.

5. Public Comments

There are no public comments.

6. Future Meeting Dates

The next meeting is set for Wednesday, February 19, 2014. Michael Coen will send meeting reservations for this date to Committee members..

7. Adjournment

The meeting adjourned at 10:30 a.m. Robert Lehman moved and Stephen Kalish seconded.

CHCF-A Administrative Committee
Minutes of Meeting of February 19, 2014

Venues

California Public Utilities Commission
505 Van Ness Avenue, Golden Gate Room
San Francisco, CA 94102

Mammoth Lakes CAO Conference Room
3rd Floor Sierra Center Mall
452 Old Mammoth Road
Mammoth Lakes, California 93546

Attendees

Robert Lehman	Primary Member
Stanley Lee	Primary CBO
Stephen Kalish (via phone)	Alternate CBO (Mammoth Lakes)
Sindy Yun (via phone)	Legal Division
Michelle Morales	Administrative Services-Fiscal
Felix Robles	Communications Division
Michael Coen	Communications Division
Lisa Tse	Cooper White Cooper

The meeting was called to order at 10:08 a.m. by Robert Lehman, Chair.

13. Introductions

Introductions were made. A sign-up sheet was handed around.

14. Approval of the November 20, 2013, Public Meeting Minutes

The November 20, 2013, meeting minutes were discussed. Motion by Stanley Lee and Robert Lehman and seconded by Stephen Kalish. Passed unanimously.

15. Administrative Services-Fiscal Services

Michelle Morales presented the Administrative Services-Fiscal reports for CHCF-A fund 0464.

16. Liaison Reports

a. Communications Division

Michael Coen presented:

6. CHCF-A Order Instituting Rulemaking should be completed this year. Proceeding can be followed by viewing documents online.

7. CHCF-A Calendar Year 2014 Funding via Resolution T-17427 was adopted by the Commission on December 19, 2013.

8. Rural Telecommunications Infrastructure (RTI) Grant Projects:

   1. **Pine Mountain Learning Center**
      School name is now Peak to Peak Mountain Charter School and project has been completed. School is working with county to obtain valid street address in order to call AT&T and order telephone service.

   2. **Yurok Tribe Project**
      Working with Verizon to turn on telephone service to Tribal members. Target completion day is April 11, 2014.

b. Legal Division

1. Form 700 is due on April 1 and will be mailed out shortly.

8. Public Comments

There are no public comments.

9. Future Meeting Dates

The next meeting is set for Wednesday, May 21, 2014 at 10:00 A.M. Michael Coen will send meeting reservations for this date to Committee members..

10. Adjournment

The meeting adjourned at 10:45 a.m. Stanley Lee moved and Stephen Kalish seconded.

CHCF-A Administrative Committee
Minutes of Meeting of May 21, 2014

Venues

California Public Utilities Commission
505 Van Ness Avenue, Room 3212
San Francisco, CA 94102

Attendees

Robert Lehman	Primary Member
Stanley Lee	Primary CBO
Stephen Kalish	Alternate CBO
Sindy Yun	Legal Division
Felix Robles	Communications Division
Michael Coen	Communications Division

The meeting was called to order at 10:10 a.m. by Robert Lehman, Chair.

17. Introductions

Introductions were made. Roll was taken.

18. Approval of the February 19, 2014, Public Meeting Minutes

The February 19, 2014, meeting minutes were discussed. Motion by Stanley Lee and seconded by Stephen Kalish. The vote passed unanimously.

19. Administrative Services-Fiscal Services

The Administrative Services-Fiscal reports for CHCF-A fund 0464 were reviewed, though Michelle Morales was not present. There was a request for Michelle Morales to mark the presentation "through last quarter March 2014" in order to better understand the presentation.

20. Liaison Reports

a. Communications Division

1. FY 2015-16 Expense Budget

   The FY 2015-16 expense budget was discussed and the vote passed unanimously.

2. CHCF-A R.11-11-007

   There were three Public Participation Hearings in separate locations in rural areas: North Fork, Jackson and Yreka where the need for broadband was stressed by

residents. Workshops will be held May 28 and 29 and Evidentiary hearings will be held September 3 through the 5th.

b. Legal Division

1. No Legal issues to discuss.

11. Public Comments

There are no public comments.

12. Future Meeting Dates

The next meeting is set for Thursday, August 28, 2014 at 10:00 A.M. Michael Coen will send meeting reservations for this date to Committee members.

Correct name:
Mammoth County CAO Conference Room
Mammoth Lakes, California

13. Adjournment

The meeting adjourned at 11:25 a.m. Robert Lehman moved and Stanley Lee seconded.