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

November 30, 2015

Timothy J. Sullivan
Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

CHCF-A ANNUAL REPORT FISCAL YEAR 2014-15

This CHCF-A Annual Report for Fiscal Year (FY) 2014-15 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) meeting for the three meetings held in FY 2014-15.

Robert Lehman, Chair
CHCF-A AC

Attachments:
- FY 2014-15 Annual Report
- CHCF-A AC Meeting Minutes for FY 2014-15

California High Cost Fund - A
FY 2014-15
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 Expenditure Budget	Budget ($ in Millions)	Actual ($ in Millions) (a)
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	$39.548	$35.219 (c)
FY 2015-16	$43.485	
FY 2016-17	$43.485	
(a) Source: CALSTR report 1CSTARQ16		
(b) Source: CALSTR report 1CSTARQ16 YTD November 2014.		
(c) Source: DF-303		

Year End Fund Balance	($ in Millions)
6/30/2013	$15.764
6/30/2014	$19.939
6/30/2015	$21.503
10/31/2015	$27.338 *

- CD Estimate

Year-End Total Access Lines for CHCF-A Small LECs	2012	2013	2014
Calaveras Telephone Co.	3,692	3,699	3,601
Cal-Ore Telephone Co.	2,014	1,882	1,850
Ducor Telephone Co.	1,014	985	969
Foresthill Telephone Co.	2,512	2,588	2,561
Happy Valley Telephone Co.	2,904	2,712	2,566
Hornitos Telephone Co.	588	574	559
Kerman Telephone Co.	5,607	5,455	5,193
Pinnacles Telephone Co.	230	230	238
Ponderosa Telephone Co.	7,984	7,792	7,743
Sierra Telephone Co.	19,238	18,725	18,953
Siskiyou Telephone Co.	3,838	3,730	3,729
Volcano Telephone Co.	9,466	9,226	9,228
Winterhaven Telephone	1,060	1,018	985
Total	**60,147**	**58,616**	**58,175**

CHCF-A Administrative Committee
Meeting Minutes for August 28, 2014

Venues

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

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

Mono County CAO Conference Room
Sierra Center Mall, Suite 307
452 Old Mammoth Road
Mammoth Lakes, California 93546

Attendees

Robert Lehman	Primary Member
Stanley Lee (In Los Angeles)	Primary CBO
Stephen Kalish (In Mammoth Lakes)	Alternate CBO
Sindy Yun	Legal Division
Felix Robles	Communications Division
Michael Coen	Communications Division

The meeting was called to order at 10:02 a.m. by Robert Lehman, Chair.

1. Introductions

Introductions were made. Roll was taken.

2. Approval of the May 21, 2014, Public Meeting Minutes

The May 21, 2014, meeting minutes were discussed. Stephen Kalish corrected Item 7 Future Meeting Dates, changed Mammoth County CAO Conference Room to Mono County CAO Conference Room. Motion by Robert Lehman and seconded by Stanley Lee. The vote passed unanimously.

3. Administrative Services-Fiscal Services

Michelle Morales of Fiscal Services was not present. No report.

4. Liaison Reports

a. Communications Division

1. Working on FY 2015-16 Expense Budget
2. A surcharge resolution will be issued after budget resolution is completed.

b. Legal Division

1. Discussed CHCF-A extension to January 1, 2019, by State Legislature in SB 1364.

5. Public Comments

There are no public comments.

6. Future Meeting Dates

The next meeting is set for Thursday, November 20, 2014 at 10:00 A.M. Michael Coen will send meeting reservations for this date to Committee members.

7. Adjournment

The meeting adjourned at 11:15 a.m. Robert Lehman moved and Stanley Lee seconded.

CHCF-A Administrative Committee
Meeting Minutes for February 19, 2015

Venues

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

Alternate Public and Teleconferenced Location:
Mono County CAO Conference Room
Sierra Center Mall, Suite 307
452 Old Mammoth Road
Mammoth Lakes, California 93546

Attendees

Ana Maria Johnson	Alternate Chair, ORA
Stephen Kalish (In Mammoth Lakes)	Alternate CBO
Fred Stump (In Mammoth Lakes)	Supervisor District 2, Mono County
Michael Amato	Communications Division
Felix Robles	Communications Division
Sindy Yun	Legal Division
Natalya Besarabova	Fiscal Office
Michael Coen	Communications Division

The meeting was called to order at 10:05 a.m. by Ana Maria Johnson, Alternate Chair.

5. Introductions

Ana Maria Johnson, of Office of Ratepayer Advocates (ORA), stated that she is the back-up representative to the CHCF-A. Timothy J. Sullivan, Executive Director, sent a letter to Joseph P. Como, Acting Director of ORA, on February 13, 2015, appointing Ana Maria Johnson as the back-up representative.

Introductions were made. Roll was taken.

6. Approval of the August 28, 2014, Public Meeting Minutes

The August 28, 2014, meeting minutes were moved by Stephen Kalish and seconded by Ana Maria Johnson. The vote passed unanimously.

7. Administrative Services-Fiscal Services

Natalya Besarabova of Fiscal Services presented the Financial Report for Fund 0464. Stephen Kalish would like a quarterly actuals report.

8. Liaison Reports

a. Communications Division

2. Resolutions completed by MWC for CHCF-A:
   a) T-17447 CHCF-A Budget for FY 2015-16
   b) T-17453 CHCF-A Surcharge Effective 12/1/2014
   c) T-17461 CHCF-A Calendar Year 2015 Funding

c. Legal Division

1. Sindy Yun discussed the R.11-11-007 Decision 14-12-084:
   a) Areas open to competition – 18 months to prepare study then Commission will decide.
   b) Increase Basic Rate: There is a range but each rate will be determined in each rate case.
   c) Broadband revenue: Too premature. Issue to be reexamined after competition study.
   d) Corporate expenses: Decided to use federal benchmark.
   e) Next Steps: Getting study moving forward.
2. Form 700 due April 1. Send directly to Executive Director Mike Coen will forward to you.

8. Public Comments

There are no public comments.

9. Future Meeting Dates

The next meeting is set for Thursday, May 21, 2015 at 10:00 A.M. Michael Coen will send meeting reservations to Committee members.

10. Adjournment

Ana Maria Johnson moved and Stephen Kalish seconded. The meeting adjourned at 10:44 a.m.

CHCF-A Administrative Committee
Meeting Minutes for May 21, 2015

Venues

California Public Utilities Commission
505 Van Ness Avenue, Room 3204
San Francisco, CA 94102

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

Attendees

Robert Lehman	Chair, ORA
Stanley Lee	Primary CBO (In Los Angeles)
Stephen Kalish	Alternate CBO
Felix Robles	Communications Division
Sindy Yun	Legal Division
Michael Coen	Communications Division

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

9. Introductions

Introductions were made and roll was taken.

10. Approval of the February 19, 2015, Public Meeting Minutes

The February 19, 2015, meeting minutes were moved by Stephen Kalish and seconded by Stanley Lee. The vote passed unanimously.

11. Administrative Services-Fiscal Services

Financial Report for Fund 0464 was reviewed.

12. Liaison Reports

a. Communications Division

1. (a.) FY 2016-17 Expense Budget for CHCF-A: Suggested to add an asterisk: * Local Assistance amount subject to change in anticipation of GRC filings per Rulemaking 11-11-007". Motion by Robert Lehman and seconded by Stephen Kalish to vote on FY 2016-17 Expense Budget with changes. Carried unanimously.

2. CD discussed Ducor Resolution T-17312 Application for Rehearing of general rate case Resolution T-17157.

d. Legal Division

f) Sindy Yun discussed that Commission will issue proposed Decision for Rate Case Plan under Rulemaking 11-11-007 soon.

g) Decision 14-12-084 ordered universal service and broadband study of competition for Small ILECs only.

11. Public Comments

There are no public comments.

12. Future Meeting Dates

The next meeting is set for Thursday, August 27, 2015, at 10:00 A.M. Michael Coen will send meeting reservations to Committee members.

13. Adjournment

Stanley Lee moved to adjourn and Robert Lehman seconded. The meeting adjourned at 11:02 a.m.