



PUBLIC PARTICIPATION HEARING

Ducor Telephone Company Application (A.) 23-10-008

The purpose of the Public Participation Hearing (PPH) is to provide an opportunity for you to communicate directly with the California Public Utilities Commission (CPUC) about how Ducor Telephone Company's (Ducor) proposal would impact you and to share any concerns you may have about the service that you receive from Ducor.

Representatives from Ducor and from the Public Advocates Office will be present at the PPH to explain their respective views for and against the rate proposals, and other proposed changes. The PPH may help members of the public to better understand these issues.

What is this Ducor Telephone Company Rate Application About?

The California Public Utilities Commission (CPUC) requires Ducor to file an application, referred to as the General Rate Case (GRC), every five years to present its forecasted costs, infrastructure projects, and to request approval of the utility's revenue requirements and rate design.

In its current application, A.23-10-008, filed on October 2, 2023, Ducor proposes no increases to its residential and business rates for the calendar year 2025 through the end of 2029. The CPUC expects to issue a proposed decision in the 4th quarter of 2024 addressing Ducor's GRC application.

In addition to earning revenue from customers' bills, Ducor also receives financial support from the California High Cost Fund-A program (CHCF-A). The CHCF-A ensures that Ducor receives sufficient revenue to operate and the opportunity to earn a return on its investments. The CHCF-A is funded by a surcharge on the telephone bills of all California ratepayers.

In the GRC proceeding, the CPUC takes an in-depth look at Ducor's application, including revenues and expenses, to decide on the rates that Ducor may charge its customers and the amount of CHCF-A support that they will receive. The CPUC's goal is to ensure that the rates Ducor charges its customers are just and reasonable and that the CHCF-A support does not create an excessive burden on all ratepayers who contribute to the CHCF-A program.

More information about CHCF-A and telecommunications surcharges are available at:

- <https://www.cpuc.ca.gov/chcf-a>
- <https://www.cpuc.ca.gov/consumersurchargeinfo>.

What Will Ducor's Rate Application Mean to You?

In its application, Ducor proposes to retain its rates for basic residential voice service at \$25 per month and for basic business voice service at \$37.04 per month, beginning January 2025.

Ducor proposes to include voicemail and all custom calling features (such as call forwarding, caller ID, and call waiting) at no additional cost as part of its basic service.

Ducor also proposes to invest \$1.1 million in its broadband capable networks. Currently, Ducor's affiliate, Varcomm Broadband, Inc., offers speeds of 10 Megabits per second (Mbps) download speed, 1 Mbps upload speed (10/1 Mbps) to 1 Gigabits per second (Gbps)/100 Mbps to its residential customers. The



proposed investments contribute towards Ducor's goal of offering 25/3 Mbps to 100% of its customer locations by 2028.

To support their operations, including investments in the broadband-capable network, Ducor is requesting \$2.1 million in CHCF-A support.

Public Advocates Office (Cal Advocates), an independent consumer advocate within the CPUC, filed a protest to Ducor's application. Cal Advocates provides recommendations on behalf of ratepayers statewide. In this proceeding Cal Advocates represents both the interests of Ducor's customers and the interests of all California ratepayers who fund the CHCF-A through a surcharge on their telephone bills. Its website is: <https://www.publicadvocates.cpuc.ca.gov/>.

How Can My Voice Be Heard?

The CPUC's Public Advisor's Office (<https://www.cpuc.ca.gov/pao/>) provides information to help the public participate in proceedings. Specifically:

- Customers can remotely attend and speak from their homes by phone or computer at the upcoming Public Participation Hearing (PPH) that the CPUC will hold on March 12, 2024, at 6:00 p.m. These hearings will be transcribed by a court reporter and placed into the formal record for this proceeding. During the hearing, you can make comments and raise concerns to the CPUC's Administrative Law Judge overseeing this application. A list of dates, times, and how to participate is at: <https://www.cpuc.ca.gov/pph/>.
- Customers can also submit electronic public comments specific to this proceeding and review all other public comments submitted by using the "Add Public Comment" button on the Public Comment tab of the docket card for A.23-10-008 at: <https://apps.cpuc.ca.gov/p/a2310008>.
- To view Ducor's application and all formal filings, including the proposed decision when it is issued, go to <https://apps.cpuc.ca.gov/p/a2310008> and select the "Documents" tab at the top of the page.
- In addition, customers can provide input via a letter to the CPUC's Public Advisor with the proceeding number, A.23-10-008 to: public.advisor@cpuc.ca.gov or CPUC, Public Advisor, 505 Van Ness Ave., San Francisco, CA 94102.
- The Public Advisor's Office may be reached by phone at 866-849-8390.
- Customers can access the CPUC's home page for further information on consumer programs and services and to explore information on key issues and topics of interest to the public at <https://www.cpuc.ca.gov/>.