



PUBLIC PARTICIPATION HEARING

Cal-Ore Telephone Company Application (A.) 23-10-007

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 Cal-Ore Telephone Company's (Cal-Ore) proposal would impact you and to share any concerns you may have about the service that you receive from Cal-Ore.

Representatives from Cal-Ore 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 Cal-Ore Telephone Company Rate Application About?

The California Public Utilities Commission (CPUC) requires Cal-Ore 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.23-10-007, filed on October 2, 2023, Cal-Ore 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 Cal-Ore's GRC application.

In addition to earning revenue from customers' bills, Cal-Ore also receives financial support from the California High Cost Fund-A program (CHCF-A). The CHCF-A ensures that Cal-Ore 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 Cal-Ore's application, including revenues and expenses, to decide on the rates that Cal-Ore 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 Cal-Ore 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 Cal-Ore's Rate Application Mean to You?

In its application, Cal-Ore proposes to maintain its rates for basic residential voice service at \$25 per month and for basic business voice service at \$32.10 per month, beginning January 2025.

Cal-Ore also proposes to invest in broadband capable networks, including fiber upgrades, which will allow customers to purchase access to faster internet. Cal-Ore plans to invest \$2.85 million in network upgrades in 2024 and 2025, with the eventual goal of offering speeds of 100 Mbps/20 Mbps speeds in all locations receiving the Federal Communications Commission's (FCC) Alternative Connect America Cost Model



(ACAM) support by 2028.

Cal-Ore's proposal includes a request for \$2.16 million in subsidy from the CHCF-A, which is a 47% increase compared to what was adopted in their last GRC (for 2018). This could affect the surcharge on the bills of all California ratepayers, including Cal-Ore customers, that funds the CHCF-A.

Public Advocates Office (Cal Advocates), an independent consumer advocate within the CPUC, filed a protest to Cal-Ore's application. Cal Advocates provides recommendations on behalf of ratepayers statewide. In this proceeding Cal Advocates represents both the interests of Cal-Ore'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 remote Public Participation Hearing (PPH) the CPUC will hold on March 12, 2024, at 2:00 p.m. This hearing 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 the date, time, and how to participate is at: <https://www.cpuc.ca.gov/pph/>.
- Customers can 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.23-10-007 at: <https://apps.cpuc.ca.gov/p/a2310007>.
- To view Cal-Ore's application and all formal filings, to include the proposed decision when issued, go to <https://apps.cpuc.ca.gov/p/a2310007> and select the "Documents" tab at the top of the page.
- Customers can send a letter to the CPUC's Public Advisor and include this proceeding number, A.23-10-007 at: 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/>.