

California High Cost Fund – A Administrative Committee

VIA ELECTRONIC MAIL

September 26, 2016

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

CHCF-A ANNUAL REPORT FISCAL YEAR 2015-16

This CHCF-A Annual Report for Fiscal Year (FY) 2015-16 is submitted to the California Public Utilities Commission by the CHCF-A Administrative Committee (AC) in compliance with California Public Utilities Code Section 273 (b) and CHCF-A AC Charter Article 4.1 (b). The report includes selected financial data, Small Incumbent Local Exchange Carrier access line counts and the approved minutes of the Administrative Committee for the four meetings held in FY 2015-16.



Manisha Lakhanpal
Chair
CHCF-A AC

- Attachments:
- FY 2015-16 Annual Report
 - CHCF-A AC Meeting Minutes for FY 2015-16

California High Cost Fund - A
 FY 2015-16
 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	\$34.469
FY 2014-15	\$39.548	\$35.450
FY 2015-16	\$43.485	\$34.504
FY 2016-17	\$43.485	
FY 2017-18	\$49.612 (b)	
(a) Source: CALSTR report 1CSTARQ16/Fiscal		
(b) CD estimate		

Year End Fund Balance	(\$ in Millions)
6/30/2013	\$15.764
6/30/2014	\$19.939
6/30/2015	\$21.503
6/30/2016	\$23.600 (b)

Year-End Total Access Lines for CHCF-A Small ILECs	2013	2014	2015
Calaveras Telephone Co.	3,699	3,601	3,557
Cal-Ore Telephone Co.	1,882	1,850	1,873
Ducor Telephone Co.	985	969	984
Foresthill Telephone Co.	2,588	2,561	2,536
Happy Valley Telephone Co.	2,712	2,566	2,405
Hornitos Telephone Co.	574	559	510
Kerman Telephone Co.	5,455	5,193	4,937
Pinnacles Telephone Co.	230	238	242
The Ponderosa Telephone Co.	7,792	7,743	7,595
Sierra Telephone Co.	18,725	18,953	18,591
Siskiyou Telephone Co.	3,730	3,729	3,705
Volcano Telephone Co.	9,226	9,228	9,220
Winterhaven Telephone Co.	1,018	985	951
Total	58,616	58,175	57,106

**CHCF-A Administrative Committee
Meeting Minutes for August 27, 2015**

Venues

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

Alternate Public and Teleconferenced Locations:

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

Attendees

Robert Lehman	Chair, ORA
Stanley Lee	Primary CBO
Stephen Kalish	Alternate CBO (in Mammoth Lakes)
Felix Robles	Communications Division
Michelle Morales	Administrative Services, Fiscal Services
Michael Coen	Communications Division

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

1. Introductions

Introductions were made and roll was taken.

2. Approval of the May 21, 2015, Public Meeting Minutes

The May 21, 2015, meeting minutes were moved by Stan Lee and seconded by Stephen Kalish. The vote passed unanimously.

3. Administrative Services-Fiscal Services

Michelle Morales presented the Financial Report for Fund 0464.

**CHCF-A Administrative Committee
Meeting Minutes for August 27, 2015**

4. Liaison Reports

a. Communications Division

Michael Coen, with help from Felix Robles, presented the Communications Division report:

1. Fiscal Year 2016-17 CHCF-A Expense Budget to be mailed Tuesday, September 1, 2015;
2. The calendar year 2016 CHCF-A funding resolution is coming up;
3. Two new general rate cases will be filed in the near future: Siskiyou and Volcano.
4. Broadband and Competition Study is underway.

b. Legal Division

1. 1Sindy Yun was unable to attend the meeting.

4. Public Comments

There are no public comments.

5. Future Meeting Dates

The next meeting is set for Thursday, November 19, 2015, at 10:00 A.M. Michael Coen will send meeting reservations to Committee members. Both alternate public and teleconferenced locations will be reserved for the committee members.

6. Adjournment

Stephen Kalish moved to adjourn and Stan Lee seconded. The meeting adjourned at 10:27 a.m.

**CHCF-A Administrative Committee
Meeting Minutes for November 19, 2015**

Venues

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

Alternate Public and Teleconferenced Locations:

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
Stephen Kalish	Alternate CBO
Sindy Yun	Legal Division
Felix Robles	Communications Division
Michael Coen	Communications Division

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

1. Introductions

Introductions were made and roll was taken.

2. Approval of the August 27, 2015, Public Meeting Minutes

Correction to Item 4 (B) to remove "1" before Sindy Yun's name. The August 27, 2015, meeting minutes, as amended, were moved by Stan Lee and seconded by Robert Lehman. The vote passed unanimously.

3. Administrative Services-Fiscal Services

Discussed the Financial Report for Fund 0464.

**CHCF-A Administrative Committee
Meeting Minutes for November 19, 2015**

4. Liaison Reports

a. Communications Division

Michael Coen, with help from Felix Robles, presented the Communications Division report:

1. CD Resolution T-17505 funding for CY 2016;

b. Legal Division

1. Cindy Yun had no report.

5. Public Comments

There are no public comments.

6. Future Meeting Dates

The next meeting is set for Thursday, February 18, 2016, at 10:00 A.M. Robert Lehman will not be Chair and Ana Maria Johnson will be invited to meeting. Michael Coen will send meeting reservations to Committee members. Both alternate public and teleconferenced locations will be reserved for the committee members.

7. Adjournment

Stan Lee moved to adjourn and Stephen Kalish seconded. The meeting adjourned at 10:41 a.m.

**CHCF-A Administrative Committee
Meeting Minutes for February 18, 2016**

Venues

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

Alternate Public and Teleconferenced Locations:

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

Attendees

Charlotte Chitadje	Chair, ORA
Stanley Lee	Primary CBO (In Los Angeles)
Stephen Kalish	Alternate CBO
Felix Robles	Communications Division
Sindy Yun	Legal
Chris Ungston	ORA
Richard Rauschmeier	ORA
Michelle Morales	Administrative Services, Fiscal Services
Michael Coen	Communications Division

The meeting was called to order at 10:00 a.m. by Charlotte Chitadje, Chair.

1. Introductions

Introductions were made and roll was taken.

2. Approval of the November 19, 2015, Public Meeting Minutes

The November 19, 2015, meeting minutes, with a correction to remove the 1 in front of Sindy Yun's name in section 4(b)(1), with an approval motion brought forward by Charlotte Chitadje. Stephen Kalish moved and Stan Lee seconded. The vote passed unanimously.

3. Administrative Services-Fiscal Services

Michelle Morales presented the Financial Report for Fund 0464.

**CHCF-A Administrative Committee
Meeting Minutes for February 18, 2016**

4. Liaison Reports

a. Communications Division

Michael Coen, with help from Felix Robles, presented the Communications Division report:

1. Kerman Telephone Company general rate case is progressing;
2. Cost of Capital proceeding;
3. Siskiyou Telephone Company general rate case is proceeding;
4. Volcano Telephone Company general rate case is proceeding.

b. Legal Division

1. Sindy Yun advised that Form 700 is due April 1, 2016.

5. Public Comments

There are no public comments.

6. Future Meeting Dates

Stan Lee cannot make May 19 meeting so the next meeting is set for Thursday, May 26, 2016, at 10:00 A.M. Michael Coen will send meeting reservations to Committee members. Both alternate public and teleconferenced locations will be reserved for the committee members.

7. Adjournment

Charlotte Chitadje brought the motion to adjourn the meeting, Stan Lee moved to adjourn and Stephen Kalish seconded. The meeting adjourned at 10:18 a.m.

**CHCF-A Administrative Committee
Meeting Minutes for May 26, 2016
10:00 AM Room 3212**

Venues

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

Alternate Public and Teleconferenced Locations:

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

Charlotte Chitadje	Chair, ORA
Stanley Lee	Primary CBO (In San Francisco)
Stephen Kalish	Alternate CBO (In Mammoth Lakes)
Ann Ten-Eyck	Cooper, White Cooper
Charles Christiansen	Communications Division
Felix Robles	Communications Division
Sindy Yun	Legal
Michelle Morales	Administrative Services, Fiscal Services
Michael Coen	Communications Division

The meeting was called to order at 10:01 a.m. by Charlotte Chitadje, Chair.

1. Introductions

Introductions were made and roll was taken.

2. Approval of the February 18, 2016, Public Meeting Minutes

Stephen Kalish brought a motion to approve the February 18, 2016, meeting minutes. Stanley Lee seconded the motion and the minutes were approved.

3. Administrative Services-Fiscal Services

Michelle Morales presented the Financial Report for Fund 0464.

**CHCF-A Administrative Committee
Meeting Minutes for May 26, 2016
10:00 AM Room 3212**

4. Liaison Reports

b. Communications Division

Michael Coen, with help from Felix Robles, presented the Communications Division report:

1. CHCF-A FY 2017-18 Expense Budget was presented.
 - State Operations are forecast to be \$1,631,000
 - Local Assistance to Small ILECs are forecast to be \$47,939,317. (This is based on a data request sent to the Small ILECs in March 2016. The Small ILECs submitted their forecasts and those forecasts were used in the creation of the budget.
 - Estimates for FI\$Cal \$41,000 and State Controllers Office \$237.
 - Total FY 2017-18 budget is forecast \$49,611,554

Stanley Lee brought a motion to approve the FY 2017-18 Expense Budget for the CHCF-A. Stephen Kalish seconded the motion and the FY 2017-18 Expense Budget was approved.

2. A request was made to update the committee on the status of the CHCF-A proceedings:
 - a) Application 15-12-001 Siskiyou

b. Legal Division

Sindy Yun advised that Form 700 was due April 1, 2016. Committee members Stanley Lee and Stephen Kalish noted that their Form 700 was filed with the Executive Director on time.

5. Public Comments

There are no public comments.

6. Future Meeting Dates

The next meeting will be at 10:00 AM on August 18, 2016.

7. Adjournment

Charlotte Chitadje brought the motion to adjourn the meeting, Stan Lee moved to adjourn and Stephen Kalish seconded. The meeting adjourned at 10:18 a.m.

