

California High Cost Fund-B Administrative Committee (CHCF-B AC)
Meeting Minutes for *Thursday May 13, 2021 at 11 am*

Venues:

As authorized by Governor Newsom’s Executive Order, N-29-20, dated March 17, 2020, the meeting will be held via teleconferencing with members of the CHCF-B AC attending from separate remote locations. This altered format observes recent recommendations by local officials that certain precautions be taken, including social distancing, to address the threat of COVID-19.

Important Notice to the Public Regarding COVID-19:

Based on guidance from the California Department of Public Health and the California Governor’s Office, in order to minimize the spread of the COVID-19 virus, please note the following:

- There is no physical location of the meeting open to the public.
- The public is invited to call in and provide public comments during the meeting.

Telephone Conference Phone Bridge:

Access: 415-655-0002

Participant/Access Code: 187 352 7903

Attendees

Primary Members

Patrick Hogle, CPUC – Public Advocates Office

Michael Foreman, AT&T

Charlie Born, Frontier Communications

Others

Dorris Chow, CPUC – Communications Division

Hannah Steiner, CPUC – Communications Division

Danny Tse, CPUC – Communications Division

Nancy Lee, CPUC – Communications Division

Sindy Yun, CPUC – Legal Division

Lalaine Semana, CPUC – Fiscal Office

Minutes:

1. Introductions – Patrick Hogle, Chairperson

Attendees introduced themselves. A quorum was present, and the meeting commenced at 11:07 am.

2. Announcements – No announcement.

3. Public Comments – None.

4. Review and Approval of the February 11, 2021 Meeting Minutes

The meeting minutes remained unchanged. Charlie Born made a motion to approve and adopt the meeting minutes. Michael Foreman seconded the motion. The committee voted unanimously to approve the February 11, 2021 minutes. Nancy Lee will post the adopted minutes on the CHCF-B AC webpage.

5. Liaison Staff Reports

a. Fiscal Report

Lalaine Semana presented the fiscal report. Charlie Born asked if we have a rough estimate of what the surplus amount will be for next year, including loans and what will happen to the surplus funds if the Program is not extended and it sunsets next year? Charlie Born stated he can figure out what the estimated surplus amount is if we don't have that info available right now. Hannah Steiner suggested that Charlie can use the projected number of what the claims will be for this current fiscal year that Nancy Lee will present in FY 2022-23 Budget Proposal as an estimate for next year's claims amount to determine the estimated surplus amount for next year. Lalaine Semana stated according to the Department of Finance, if the Program sunsets, the remaining amount in the B Fund will be transferred to the General Fund.

b. Legal Division Report

Sindy Yun stated nothing to report.

c. Communications Division Report

Hannah Steiner stated the claims have been submitted mostly on time and are up to date. In the A Fund proceeding there was an issue that was brought up that potentially could include the B Fund. In the last scoping memo, the Commissioner was considering using either the A or B Fund to assist low-income customers in rural areas in getting access to broadband and voice service. That issue is still outstanding, if the Commission chooses to address it with either the A or B Fund, it may be a new proceeding.

6. COVID-19 Issues, updates from AT&T and Frontier on response

Michael Foreman stated AT&T is beginning the process of opening up their facilities in their Dallas Headquarter and they are looking on a case-by-case basis for their nationwide facilities. They are preparing the offices to open up but currently there is no definitive plan for staff to return to work in the office.

Charlie Born stated Frontier staff are still working from home. Frontier launched the FCC's Emergency Broadband Benefit (EBB) Program last week. Charlie Born gave us an overview of Frontier's three low-income broadband programs.

Michael Foreman stated AT&T began participating in the FCC's EBB Program yesterday. Customers who are subscribed to the AT&T Connect plan (the current low-income program) can apply the EBB to their existing \$10 plan and get that service for free.

Patrick Hogle asked if Frontier and AT&T have noticed the uncollectible rate changed noticeably since last year. Both Charlie Born and Michael Foreman stated they will review this issue further and will report back to us in the next meeting.

7. Other Administrative Matters:

a. Alternate member nominations update

Public Advocates – nomination of alternate member: Patrick Hogle stated there is no change at this time, they have not moved forward with a formal nomination. Nothing new to update at this time.

Patrick Hogleund stated he will submit Amy Warshauer (Frontier) and Brenda Clark's (AT&T) letters of alternate member nomination to the Executive Director for approval and appointment.

b. FY 2022-2023 budget recommendations

Nancy Lee presented the budget spreadsheet and explained the projections and proposed appropriation for FY 2022-23. Nancy recommended that the CHCF-B local assistance and state operations appropriations for FY 2022-23 remain the same for FY 2021-22. The proposed appropriation is higher than projected expenditures.

Charlie Born and Michael Foreman abstained, they are not permitted to vote because they represent companies that are receiving funds from CHCF-B. Patrick Hogleund voted to approve the proposed budget of \$22.379 million for FY 2022-23.

c. Possible new legislation or Commission Decision that could impact the B Fund

Hannah Steiner stated CD staff is unclear at this point about AB 1128. It has been in committee but hearings have not been held. Charlie Born stated that this has become a two-year bill and that the purpose was to use the surplus money to fund broadband.

d. Election of Chair and Vice Chair

For the CHCF-B AC Chairperson, Michael Foreman nominated Patrick Hogleund and Charlie Born seconded the motion. Patrick Hogleund accepted the nomination. The committee voted unanimously to approve the nomination of Patrick Hogleund for the Chair. For the Vice Chair, Patrick Hogleund nominated Michael Foreman and Charlie Born seconded the motion. Michael Foreman accepted the nomination. The committee voted unanimously to approve the nomination of Michael Foreman for Vice Chair.

e. Recruitment/nominations for fourth and fifth primary member

Two CBO seats are currently vacant and the committee does not have any nominations. Sindy Yun said that LifeLine is currently having difficulties filling their vacant CBO seats also. Patrick Hogleund suggested that we can advertise the vacancies on the CPUC CHCF-B webpage.

8. New agenda items for next meeting

- a. Update on the FCC's Emergency Broadband Benefit Program – Charlie Born and Michael Freeman
- b. Data on Uncollectibles – Charlie Born and Michael Foreman
- c. FY 20/21 Annual report approval and submittal. Patrick Hogleund will prepare report and share in advance of the next meeting.
- d. Standard agenda items

9. Date and time for next meeting:

The next meeting will be held on Thursday, August 19, 2021 at 11:00 am via WebEx.

10. Adjournment:

The meeting was adjourned at 12:12 pm.