

**California High-Cost Fund-A Administrative Committee**  
**Meeting Minutes for Wednesday, March 9, 2022, at 10:00 am**

**Venues:**

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: 2482 840 6673

**Attendees:**

Present – Committee Members

- Patrick Hoglund (CPUC, Public Advocates Office)
- David Clark (Sebastian and LEC representative)
- Stephen Kalish, Alternate Committee Member (Community Based Organization)

Present – Others

- Felix Robles (CPUC, Communications Division)
- Hannah Steiner (CPUC, Communications Division)
- Nancy Lee (CPUC, Communications Division)
- Lucia Magaña (CPUC, Communications Division)
- Sindy Yun (CPUC, Legal Division)
- Ian Culver (CPUC, Legal Division)
- Lalaine Semana (CPUC, Fiscal Office)
- Bixia Ye (CPUC, Public Advocates Office)
- Kayla Toy (CPUC, Public Advocates Office)
- Patrick Rosvall (BRB Law)

**Agenda:**

**1. Introductions – Patrick Hoglund, Chairperson**

Attendees introduced themselves. Patrick Hoglund observed that a quorum was present, meeting commenced at 10:03 am.

**2. Announcements –**

Patrick Hoglund mentioned that CPUC staff might return to the office in some capacity next month, but nothing has been confirmed yet.

**3. Public Comments - none**

#### **4. Review and Approval of the December 8, 2021, Meeting Minutes**

Stephen Kalish pointed out the typos and grammatical errors that were on the minutes and corrections were made. Stephen Kalish made a motion to approve and adopt the revised minutes. David Clark seconded the motion. The committee voted unanimously to approve the December 8, 2021 minutes as amended. The adopted minutes will be posted on the CHCF-A AC webpage.

#### **5. Liaison Staff Reports:**

##### **a. Fiscal Report –**

Lalaine Semana presented the quarterly financial report as of January 31, 2022, stating the budget appropriation balance for Fiscal Year 2021-2022 is \$50M; total revenue is \$18.9M. The total cash available as of January 31, 2022 is \$16.9M; total cash available as of March 4, 2022 is \$15.9M; and total cash available as of today is back at \$16.9M.

##### **b. Legal Report –**

Sindy Yun reported that there will be a legislative hearing on 3/14/2022 to consider SB 857, to extend the CHCF-A Program for another five years to January 2028. The current program sunset date is January 2023. There are currently no changes to the program statute besides extending it for another five years.

Patrick Rosvall stated the program has been extended seven to eight times over the last 20-30 years. The fact that it has a sunset date is just how the legislation works. There is no expectation that the program will be terminated; it is just part of the renewal process.

##### **c. Communications Division – Felix Robles**

Felix Robles stated the increase in the balance available in the Fiscal report that Lalaine cited above was a result of the surcharge resolution, effective December 1, 2020, through which we collected \$40.6M in CHCF-A surcharge revenues during 2021.

Mr. Robles reported that CD is currently working on three General Rate Case (GRCs) submitted by Sierra, Siskiyou, and Volcano on November 1, 2021. The prehearing conferences were held in January and the public participation hearings are scheduled for April 11<sup>th</sup>, 12<sup>th</sup>, and 13<sup>th</sup>, respectively. The evidentiary hearings are scheduled for Sierra: July 18<sup>th</sup> - 22<sup>nd</sup>; Siskiyou: July 28<sup>th</sup> – August 2<sup>nd</sup>; and Volcano: August 8<sup>th</sup> – 12<sup>th</sup>.

Mr. Robles also stated it has been determined through a Commission ruling that we will have a consolidated cost of capital proceeding with notices of intent due on April 1 for application beginning September 1, 2022.

David Clark inquired about status on the tax issues in D.21-09-018 for the three companies. Mr. Robles stated we will prepare a resolution to address that issue in the near future, but with all the GRCs and other proceedings going on currently, we do not have a date yet as to when it will be sent out for comment.

#### **6. CHCF-A (R.11-11-007) Rulemaking Issues – Questions, Comments**

Hannah Steiner reported that Commissioner John Reynolds has been assigned to this proceeding and the above mentioned three GRC proceedings.

#### **7. AC Membership - Election of Chair and Vice Chair**

Election of new Chair and Vice Chair: For the CHCF-A AC Chairperson, David Clark nominated Patrick Hoglund and Stephen Kalish seconded the motion. Patrick Hoglund accepted the nomination. The committee voted unanimously to approve the nomination of Patrick Hoglund for the Chair. For the Vice Chair, Patrick Hoglund

nominated David Clark and Stephen Kalish seconded the motion. David Clark accepted the nomination. The committee voted unanimously to approve the nomination of David Clark for Vice Chair.

**8. Update from the Small LECs on the EBB, Affordable Connective Program (ACP), and new federal and state grants (including CA last mile grants and federal broadband programs from Build Back Better)**

Patrick Rosvall reported that there was broad participation in the EBB Program which provided a \$50 per month discount on internet access services for the Small LECs affiliates. The EBB Program was a bridge to the current permanent Affordable Connectivity Program. The EBB Program's sunset date was March 1, 2022. In its place the ACP provides qualified low-income customers with a \$30 per month discount for internet services.

Additionally, Mr. Rosvall mentioned that about four or five of the Small LECs are applying for the Re-connect grants. There are other funds such as the FFA Program and other programs out there in which the Commission has ongoing proceedings to determine how to distribute the funds to the different counties.

David Clark stated that the Emergency Connectivity Fund which is another broadband initiative that allows low-income school kids to receive free broadband services.

Stephen Kalish asked what would be an estimate of the monthly fee on the least costly plan for phone and internet services for qualified customers if they are eligible for the ACP and LifeLine Program? Mr. Rosvall stated the rates varies with different companies. But as an example, if the internet service plan was \$50, eligible customers will only pay \$20 for their internet service with the \$30 ACP discount and LifeLine customers will pay \$7-8 for their phone service before taxes and fees. LifeLine customers are exempted from paying surcharge fees and they do not have to pay the \$6 subscriber line charge.

Sindy Yun asked David Clark if their LifeLine customers are taking advantage of the ACP? Mr. Clark stated they have quite a few of their customers that do not take advantage of the ACP. They performed outreach to their customers but some of the customers still don't participate in the ACP. Mr. Rosvall stated the ACP just started so we would want to see over a longer period how we can get the word out.

**9. New agenda items for next meeting**

- a. Affordable Connectivity Program (ACP) update
- b. Standard agenda items

**10. Date and time for next meeting**

The next meeting will be Wednesday May 25, 2022

**11. Adjournment**

The meeting was adjourned at 10:45 am.