

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 10, 2015

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

Re: Request for Approval of California Teleconnect Fund Budget for Fiscal Year 2016-17

Dear Mr. Sullivan,

In compliance with Section 273 (a) of the Public Utilities Code, the California Teleconnect Fund (CTF) Administrative Committee hereby submits the attached proposed CTF Program Budget for FY 2016-17.

The CTF program was established by Commission Decision 96-10-066 to provide a 50% discount on select telecommunications services to qualifying K-12 schools, libraries, government-owned and operated hospitals and health clinics, and non-profit community-based organizations in California. In addition, Commission Decision 08-06-020 expanded the CTF program to include, among other things, California community colleges and California Telehealth Network participants. And recent Decision 15-07-007 further modified the program, with an implementation phase in the works. The CTF program is funded by a surcharge on all end users of intrastate telecommunications services.

There was a quorum present at our recent meeting of June 19, 2015, to discuss and adopt the proposed CTF budget for FY 2016-17, which is attached here.

The proposed budget reflects the projected reimbursements to carriers, as well as administrative expenses associated with the program. The overall budget recommended by the Committee has decreased from approximately \$148.087 million last year to the current recommendation of \$117.915 million. The Committee attributes this decrease to a significant reduction in the CPUC staff's projection of carrier claims which was presented and discussed at our meeting.

Please note that the Committee supports an increase in both focus and funding for CPUC operations that will improve information gathering and streamline reporting for the CTF program. The Committee supports more field hearings and public participation opportunities as well as improved data processing automation so that more meaningful metrics can be used to administer the program and inform policy deliberations going forward.

Please do not hesitate to contact me with any questions by e-mail at sean@accesshumboldt.net or by phone at (707) 616-2381.

Sincerely,

A handwritten signature in black ink, appearing to read "S. McLaughlin", written over a horizontal line.

Sean McLaughlin, Vice Chair
CTF Administrative Committee

(Numbers in
Thousands)

FY 16-17
Submitted by
CTF-AC

A	Local Assistance	
	1 Carrier Claims	<u>\$114,470</u>
	Sub Total	\$114,470

B	State Operations	
	2 State Operations	<u>\$3,368</u>
	Sub Total	\$3,368

C	8860-0493 Public Utilities Commission (Local	
	1 Assistance and State Operations)	\$117,838
	2 0840 State Controller	\$1
	3 8880 Financial Information System for California	\$76
	<u>TOTAL PROGRAM BUDGET</u>	<u>\$117,915</u>