

California High-Cost Fund-B Administrative Committee (CHCF-B AC)
Meeting Minutes for *Thursday, March 10, 2022, at 11 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: 2486 636 7694

Attendees

Present – Committee Members

- Patrick Hogle, CPUC – Public Advocates Office (Chairperson)
- Michael Foreman, AT&T
- Charlie Born, Frontier Communications

Others

Present – Others

- Felix Robles, CPUC – Communications Division
- Danny Tse, CPUC – Communications Division
- Nancy Lee, CPUC – Communications Division
- Lucia Magaña, CPUC – Communications Division
- Sindy Yun, CPUC – Legal Division
- Lalaine Semana, CPUC – Fiscal Office
- Amy Warshauer, AT&T

Minutes:

1. Introductions – Patrick Hogle, Chairperson

Attendees introduced themselves. A quorum was present, and the meeting commenced at 11:04 am.

2. Announcements –

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

Charlie Born announced Amy Warshauer will be leaving Frontier, and they will look for another alternate AC member for Frontier. Ms. Warshauer will submit a letter of resignation/withdrawal letter to the committee.

3. Public Comments – None

4. Review and Approval of the December 9, 2021, Meeting Minutes

The meeting minutes remained unchanged. Michael Foreman made a motion to approve and adopt the meeting minutes. Charlie Born seconded the motion. The committee voted unanimously to approve the December 9, 2021 minutes. Nancy Lee will post the adopted minutes on the CHCF-B AC webpage.

5. Liaison Staff Reports

a. Fiscal Report - Lalaine Semana –

Lalaine Semana presented the quarterly financial report as of January 31, 2022, stating the budget appropriation for Fiscal Year 2021-2022 is \$48 million and the total appropriation balance is \$40 million.

Semana also reported the B Fund has a total revenue collected of \$960,000 and the total cash available as of January 31, 2022 is \$23 million.

The previous three loans remain outstanding at \$84 million. Semana reached out to DOF for the estimated repayment dates on the three loans but has not yet received an update. She will keep us posted.

b. Legal Division Report – Sindy Yun

Sindy Yun reported that there will be a hearing on 3/14/2022 for Legislation SB 857 to extend the CHCF-B Program for another five years to January 2028. The current program sunset date is January 2023. Charlie Born will be at the hearing to testify to the committee in support of the bill.

Felix Robles stated historically the renewal of the A&B Funds have been on a four-year cycle, but this time it is proposed for a five-year cycle. Mr. Robles asked if anyone knows why the extension cycle was changed? Mr. Born stated the author of the bill proposed it for five years, but he does not know the reason behind it. It was discussed with the consultant for the committee, and they agreed to continue with the five-year proposal since no one opposed it and it was already in draft. There were also discussions as to why they need to continue to extend the program every 4-5 years. They wondered if there were any other ways they could continue with the program on an ongoing basis and not have to extend it every 4-5 years. The committee explained that from a legislative standpoint, the renewal process is set up as a protection for the program in case it needs to be modified or eliminated.

Patrick Hoglund reminded the AC members to submit their annual Form 700.

c. Communications Division Report – Felix Robles

Felix Robles had no new update to report.

6. COVID-19 Issues; updates from AT&T and Frontier

Charlie Born stated Frontier continues to participate in the low-income broadband programs. Frontier is moving towards a company-wide hybrid model in returning some of their staff back to the office, with a reduction of office space.

Michael Foreman mentioned AT&T is gradually having some of their staff return back to the office on a limited basis (1-2 days per week).

7. Other administrative matters – Patrick Hoglund

a. The bill introduced to extend the sunset of the CHCF B fund. (See Item 5b above)

b. The benefits of the fund to stabilize prices that might increase especially in the areas affected by the wildfires.

Charlie Born stated his testimony on 3/14/2022 for SB 857 will address the benefits of continuing the CHCF-B program. The cost has gone up because of the increased frequency of pole inspections in the

areas that were affected by the wildfires, and also with critical infrastructure requirements of the 72 hours battery power back up. The B Fund is another way to help offset some of those high cost to help subsidize B Fund carriers to provide affordable basic telephone services to residential customers in high-cost areas. They have not heard of any opposition to the Bill yet; all committee members are in support to continue with this program.

8. New agenda items for next meeting

- a. Review upcoming annual budget proposal
- b. Annual Election of Chair and Vice Chair
- c. Update on the Surcharge proceeding
- d. Alternate member nominations update
- e. Standard agenda items

9. Date and time for next meeting:

The next meeting will be held on Thursday, May 19, 2022, at 11:00 am

10. Adjournment:

The meeting was adjourned at 11:35 am.