

California High-Cost Fund-A Administrative Committee
Meeting Minutes for Thursday, August 18, 2022, at 1:00 pm

Venues:

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

Telephone Conference Phone Bridge:

Access: 415-655-0002

Participant/Access Code: 2491 028 3954

Attendees:

Present – Committee Members

- Patrick Hogle (CPUC, Public Advocates Office) (Chairperson)
- Stephen Kalish, Alternate Committee Member (Community Based Organization)

Present – Others

- Felix Robles (CPUC, Communications Division)
- Nancy Lee (CPUC, Communications Division)
- Hannah Steiner (CPUC, Communications Division) (via Webex)
- Danny Tse (CPUC, Communications Division) (via Webex)
- Sindy Yun (CPUC, Legal Division) (via Webex)
- Lalaine Semana (CPUC, Fiscal Office) (via Webex)
- Bixia Ye (CPUC, Public Advocates Office) (via Webex)
- Sarah Banola (RBR Law) (via Webex)

Minutes:

1. Introductions – Patrick Hogle, Chairperson

This is our second in-person meeting since the pandemic started in March 2020. Attendees introduced themselves. Patrick Hogle observed that a quorum was present, meeting commenced at 10:02 am.

2. Announcements

Sindy Yun informed us that the state amended the Bagley Keene Statute, Govt. Code section 11133 related to the requirements for holding public meetings. As a result, all CHCF-A AC meetings will be held through teleconferencing going forward. This will be effective through July 1, 2023.

3. Public Comments

Stephen Kalish stated he attended the Sierra GRC ratemaking hearing remotely in July as a member of the public, however, a substantial portion of the hearing was held in confidential sessions. Mr. Kalish felt that the confidential portion of the hearing should be lightly redacted and made available to the public.

4. Review and Approval of the May 25, 2022, Meeting Minutes

Felix Robles alerted us to a typo in the draft minutes. Nancy Lee will correct the typo before posting it on the CPUC CHCF-A webpage. Stephen Kalish made a motion to approve the minutes. Patrick Hoglund seconded the motion. The committee voted unanimously to approve the May 25, 2022 minutes. 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 June 30, 2022, the budget appropriation balance for Fiscal Year 2021-2022 is \$69.1 million; total revenue is \$27.4 million. The total cash available at SCO as of June 30, 2022 is \$19.4 million; total cash available as of today is \$19.1 million.

b. Legal Report

Sindy Yun reported that SB 857 to extend the CHCF-A Program for another five years to January 2028 is expected to pass soon. The current program sunset date is January 2023.

There are three General Rate Cases (GRCs) in process before the Commission. The CHCF-A Rulemaking proceeding is still open, but there are currently no active issues.

c. Communications Division

Felix Robles reported that we are still in deliberation on the surcharge transition rulemaking, anticipating a Proposed Decision (PD) soon.

Mr. Robles stated with the CHCF-A Fund balance of \$19.1 million previously cited by Lalaine, we have about a five plus months of surplus. In anticipation of the surcharge transition, CD sees no concerns at this time regarding the CHCF-A Fund balance.

Mr. Robles mentioned for the upcoming TY 2024 General Rate Case applications that Ponderosa's application is expected to be submitted on October 1, 2022. Foresthill and Kerman will submit their applications on November 1, 2022. Foresthill and Kerman will then petition to do a consolidated proceeding.

Sindy Yun stated the Small ILECs will file a consolidated Cost of Capital application in September 2022. Stephen Kalish asked for clarification regarding the Cost of Capital proceeding. Mr. Robles stated the consolidated proceeding determines the reasonable rate of return for the 10 Small ILECs that draw from the A Fund. The authorized rates of return are then used to calculate the companies' revenue requirement. Sindy further clarified that in a consolidated Cost of Capital proceeding, the Commission will adopt a different rate of return for each of the 10 Small ILECs.

6. Update on the current GRC Hearings

Felix Robles stated Sierra's evidentiary hearing was rescheduled to July 27th - August 3rd, it was completed on August 1st. Opening briefs will be due on September 6th; Reply briefs due on September 30th; PD is expected in the 4th quarter of this year.

Volcano's evidentiary hearing was scheduled from August 8th – 12th, it was completed on August 10th. Opening briefs will be due on September 12th; Reply briefs due on October 10th; PD is expected in the 4th quarter of this year.

ALJ Miles issued a ruling on July 28th for Siskiyou's evidentiary hearing to be rescheduled to October 10th – 14th. Opening briefs due on November 7th; Reply briefs due on December 7th; PD is expected by the end of this year or early next year.

7. Annual Report

Patrick Hoglund stated that the FY 2021-2022 Annual Report was sent out on August 17, 2022 for the committee's review and noted the approved May 25, 2022 minutes will be added to the end of the report on the attachment section.

Stephen Kalish commented that he would like to see the historical and current numbers of access lines broken down by residential and business customers on the annual report. Patrick Hoglund will try his best to obtain those numbers to be added to the annual report.

Mr. Kalish motioned to approve the proposed FY 2021-2022 Annual Report as amended. Mr. Hoglund seconded the motion. The committee voted unanimously to approve the FY 2021-2022 Annual Report as amended. Mr. Hoglund will submit the approved Annual Report to our Executive Director's Office on or prior to the October 1st deadline.

8. CHCF-A (R.11-11-007) Rulemaking Issues – Questions, Comments

Stephen Kalish stated that the proceeding decision has been appealed to the Court of Appeals and there has been a request for expedited hearing.

9. New agenda items for next meeting

- a. Update on GRC Proceedings
- b. Update on Annual Report
- c. Update from Small LECS on Impact of Wildfires (Siskiyou and Sierra)
- d. Update on Annual Advice Letters and Resolutions
- e. Standard agenda items

10. Date and time for next meeting

The next meeting will be held via Webex on Thursday November 17, 2022 at 1:00 pm.

11. Adjournment

The meeting was adjourned at 10:42 am.