

California High-Cost Fund-B Administrative Committee (CHCF-B AC)
Meeting Minutes for *Thursday, December 9, 2021, 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: 2480 068 4768

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
- Risa Hernandez, 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
- Bixia Ye, CPUC - Public Advocates Office

Minutes:

1. Introductions – Patrick Hogle, Chairperson

Attendees introduced themselves. A quorum was present, and the meeting commenced at 11:02 am.

2. Announcements – None

3. Public Comments – None

4. Review and Approval of the August 19, 2021, Meeting Minutes

Michael Foreman requested revisions to item #4 and asked for edits to the first sentence and the removal of the second sentence; for item #6a, the request was to edit the second and third sentences.

Foreman made a motion to adopt the meeting minutes with the above-mentioned revisions and Charlie Born seconded the motion. The committee voted unanimously to approve the August 19, 2021 minutes as amended. The adopted minutes will be posted on the CHCF-B AC webpage as amended.

5. Liaison Staff Reports

a. Fiscal Report - Lalaine Semana –

Lalaine Semana presented the quarterly financial report as of September 30, 2021, stating the budget appropriation for Fiscal Year 2021-2022 is \$48 million, program expenditure from July 2021 to September 2021 being \$4 million, the outstanding incumbrance obligated money being \$30,000 and the total appropriation balance is \$44 million.

Semana also reported the fund has a total revenue collected of \$923,000 and the total cash available as of September 30, 2021 is \$52 million. All prior loans have been paid and all new loans to be provided to other funds have been transferred.

Semana confirmed \$109 million is the total resources available in this fund long term, which includes three loans with a total of \$84 million and the cash balance of \$25 million as of December 9, 2021.

Michael Foreman inquired on the process followed for loaning to other funds and the need for the loans.

Semana stated that the Department of Finance (DOF) monitors CPUC's funds and can identify the Public Purpose Program (PPPs) funds in need of infusion; then, the loan is transfer to the fund in need of infusion. The purpose is to help the other PPPs. The following PPPs were identified and received loans from CHCF-B:

- CHCF-A – \$7M
- Deaf and Disabled Telecommunications Program – \$25M
- California Teleconnect Fund Program – \$52M

Patrick Hoglund inquired on whether the new surcharge resolution being issued would increase the surcharges resulting in reducing the financial stresses going forward.

Felix Robles stated that the pending resolution for the Deaf and Disabled Telecommunications Program (DDTP) is projected to increase the remittance rate and alleviate some of the pressure.

Semana will follow up with DOF on the estimated repayment dates for the above three loans and will report back to us. Foreman stated we don't want to get into a situation where we will have to reinstate the CHCF-B surcharges if the loans are not repaid timely and we run out of CHCF-B Funds. Semana stated the CPUC Budget Office monitors the CHCF-B Fund monthly and will reach out to DOF for the repayment of these loans if and when the CHCF-B Fund is in jeopardy. Robles stated at this point we do not see CHCF-B remittance fees being reinstated.

b. Legal Division Report – Cindy Yun

Cindy Yun did not have anything to report. No legislation, no open proceedings.

c. Communications Division Report – Felix Robles

Felix Robles had nothing to report.

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

Charlie Born stated Frontier continues to require protection for customers as issued by the Commission and is ongoing. The low-income broadband programs are doing well: over 20,000 Chrome books were bought by Frontier and distributed to high school students at no cost in low-income areas.

Born added the company declared to allow staff having the capability to work from home to continue doing so with no end date; however, those staff needing to work at the office will continue to do so as well.

Michael Foreman had no additional statements to the information provided at the last committee meeting.

7. Other administrative matters – Patrick Høglund

- a.** Update/status of Brenda Clark (AT&T) alternate member nomination to the Executive Director for approval and appointment.

Patrick Høglund announced that Brenda Clark's appointment was confirmed by the Executive Director's Office on October 12, 2021. However, Michael Foreman reported Brenda Clark retired shortly after her appointment and inquired about the procedure to follow since Clark did not submit a resignation letter.

Sindy Yun stated that the procedure to follow when a member leaves the Committee is to provide a 30-day notice to the chair of the Committee, which will be waived due to the retirement. Then, requested CD staff to remove Clark's name from the website and the roster.

Nancy Lee confirmed staff will remove the name from the webpage and update the roster.

Foreman will start looking for an alternative committee member for AT&T.

- b.** Recruitment/nominations for fourth and fifth primary member (two CBO seats available)

Two vacancies remain from CBOs, and everyone should continue their efforts to find, locate, and encourage candidates.

- c.** Annual Report

Patrick Høglund stated the report was filed on time and inquired whether it had been posted on the Committee's website.

Nancy Lee confirmed the annual report has been posted on the website.

8. New agenda items for next meeting

- The bill introduced to extend the sunset of the CHCF B fund.
- The benefits of the fund to stabilize prices that might increase specially in the areas affected by the wildfires.

9. Date and time for next meeting:

The next meeting will be held on Thursday, March 10, 2022, at 11:00 am via WebEx.

10. Adjournment:

The meeting was adjourned at 11:45 am.