

**PUBLIC UTILITIES COMMISSION**505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298**FILED**02-14-11
03:55 PM

February 14, 2011

Agenda ID #10153
Adjudicatory

TO PARTIES OF RECORD IN APPLICATION 07-12-026

This is the proposed decision of Administrative Law Judge (ALJ) Bushey. It will not appear on the Commission's agenda sooner than 30 days from the date it is mailed. The Commission may act then, or it may postpone action until later.

When the Commission acts on the proposed decision, it may adopt all or part of it as written, amend or modify it, or set it aside and prepare its own decision. Only when the Commission acts does the decision become binding on the parties.

Parties to the proceeding may file comments on the proposed decision as provided in Article 14 of the Commission's Rules of Practice and Procedure (Rules), accessible on the Commission's website at www.cpuc.ca.gov. Pursuant to Rule 14.3, opening comments shall not exceed 15 pages.

Comments must be filed pursuant to Rule 1.13 either electronically or in hard copy. Comments should be served on parties to this proceeding in accordance with Rules 1.9 and 1.10. Electronic and hard copies of comments should be sent to ALJ Bushey at mab@cpuc.ca.gov and the assigned Commissioner. The current service list for this proceeding is available on the Commission's website at www.cpuc.ca.gov.

/s/ MICHELLE COOKE for
Karen V. Clopton, Chief
Administrative Law Judge

KVC:tcg

Attachment

Decision **PROPOSED DECISION OF ALJ BUSHEY** (Mailed 2/14/2011)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Calaveras Telephone Company (U1004C), Cal-Ore Telephone Co. (U1006C), Ducor Telephone Company (U1007C), Happy Valley Telephone Company (U1010C), Hornitos Telephone Company (U1011C), Kerman Telephone Co. (U1012C), The Ponderosa Telephone Co. (U1014C), Sierra Telephone Company, Inc. (U1016C), The Siskiyou Telephone Company (U1017C), Volcano Telephone Company (U1019C), and Winterhaven Telephone Company (U1021C) for Ratemaking Determination regarding Dissolution of Rural Telephone Bank.

Application 07-12-026
(Filed December 20, 2007)

DECISION DENYING PETITION FOR MODIFICATION

On January 10, 2011, Happy Valley Telephone Company, Hornitos Telephone Company, and Winterhaven Telephone Company petitioned for modification of Decision (D.) 10-06-029. Petitioners sought to defer issuing customer refunds ordered by that decision pending judicial review and stated that the amounts to be refunded were so great that customers would be confused and angry if the court reverses the ordered refunds.¹

¹ Petition at 4.

The petition is denied. Seeking judicial review is not grounds for staying a Commission decision. See Pub. Util. Code § 1761.

In D.10-06-029, the Commission authorized the Director of the Communications Division to approve deviations from the refund sequence specified in that decision where the refunding carrier has proposed an “equally efficient mechanism” for making the refunds. We clarify that the scope of this authorization is sufficient to enable the Director to authorize such deviations as may be necessary to prevent customer confusion, including extending the refund period.

We also note the petition indicates a proposal to “remit the balance of the ratepayer credit to the [California High Cost Fund A].”² As specified in D.10-06-029, refunds must be made to High Cost Fund A only by carriers that received support from the Fund, other carriers, such as petitioners, must make refunds to their customers. Redirecting refunds is not within the scope of the authorization to the Director of the Communications Division.

² Petition at 3.

Therefore, **IT IS ORDERED** that the Petition of Happy Valley Telephone Company, Hornitos Telephone Company, and Winterhaven Telephone Company for Modification of Decision 10-06-029 is denied, and this proceeding is closed.

This order is effective today.

Dated _____, at San Francisco, California.

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a Notice of Availability of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the Notice of Availability of the filed document is current as of today's date.

Dated February 14, 2011, at San Francisco, California.

/s/ TERESITA C. GALLARDO
Teresita C. Gallardo

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074 or TDD# (415) 703-2032 five working days in advance of the event.