



FILED

02-04-11
04:59 PM

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

In the Matter of Application of Foresthill Telephone Company (U-1009-C), dba Sebastian, to Review Intrastate Rates and Charges and Rate of Return for Telephone Service Furnished Within the State of California, and Increase Selected Rates

Application No. 10-12-012
(Filed December 22, 2010)

**JOINT PREHEARING CONFERENCE STATEMENT OF
APPLICANT FORESTHILL TELEPHONE COMPANY
AND DIVISION OF RATEPAYER ADVOCATES**

Pursuant to the Assigned Administrative Law Judge's Ruling dated January 26, 2011, the sole parties that have appeared to date in this proceeding, Applicant Foresthill Telephone Company ("Foresthill") and this Commission's Division of Ratepayer Advocates ("DRA"), hereby submit this Joint Prehearing Conference Statement addressing the issues raised by Foresthill's Application A. 10-12-012 (Application") and a proposed schedule for the Commission's consideration.

1. Procedural Background.

Foresthill filed its Application on December 22, 2010. The Application first appeared on the Commission's Daily Calendar on December 23, 2010. On January 10, 2011 Foresthill filed an Amendment to its Application for the sole purpose of supplying missing pages to Exhibit 2 thereof, the financial statement required by Commission rules. On January 13, 2011 Resolution

1 ALJ 176-3267 was adopted which preliminarily classified this proceeding as ratemaking and
2 determined that a hearing is necessary. On January 21, 2011 DRA filed its Protest to the
3 Application, agreeing with Foresthill that a hearing is necessary in connection with the
4 Application and proposing its own schedule for processing the Application, which did not differ
5 greatly from Foresthill's initial proposal in most respects.

6 On January 26, 2011 the Assigned ALJ issued a ruling setting a prehearing conference for
7 February 9, 2011 at 1:30 PM. In his ruling, the ALJ directed that Foresthill and DRA confer
8 concerning identification of issues and the possibility of a stipulated schedule. Representatives of
9 Foresthill and DRA have conferred by telephone several times and met on February 1, 2011 at the
10 Commission's offices in San Francisco to discuss the Application and DRA's Protest. They have
11 agreed to this joint prehearing conference statement.

12 2. Issues.

13 Foresthill and DRA agree that the following are issues that must be resolved in connection
14 with this Application and Protest:

- 15 a. Depreciation expense and accelerating cycles;
- 16 b. Near future upgrade to internet protocol and broadband platforms;
- 17 c. Future network construction and maintenance;
- 18 d. Rate of return and capital structure;
- 19 e. Operating expenses; and
- 20 f. Rate design and CHCF-A draw.

21
22 The parties caution that discovery has not yet commenced and only Foresthill's direct
23 testimony is available at this time, so this list of issues may be expanded in the process of
24 discovery and exchange of additional prepared testimony.

25 3. Schedule.

26 The parties agree that the following is an acceptable schedule for resolution of this
27 proceeding:

28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

June 7, 2011	DRA Testimony Filed
June 22, 2011	Applicant's Rebuttal Testimony Filed
July 11, 2011	Evidentiary Hearings Commence
August 8, 2011 and August 22, 2011	Opening and Reply Briefs
October 31, 2011	Proposed Decision
December, 2011	Final Commission Decision
January 1, 2012	New Rates, CHCF-A Draw/Revenue Requirement in Effect

Executed at San Francisco, California on this 4th day of February, 2011.

FORESTHILL TELEPHONE COMPANY

By: 

E. Garth Black
Mark P. Schreiber
Patrick M. Rosvall
COOPER, WHITE & COOPER LLP
201 California Street
Seventeenth Floor
San Francisco, California 94111
Telephone: (415) 433-1900
Telecopier: (415) 433-5530
gblack@cwclaw.com

Attorneys for Applicant
Foresthill Telephone Company
dba Sebastian

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

647957.1

SAZEDUR RAHMAN, P.E.
Project Coordinator
Division of Ratepayer Advocates
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Phone: (415) 703-2338
snr@cpuc.ca.gov

HIEN VO
Staff Counsel
Division of Ratepayer Advocates
California Public Utilities Commission
320 W. Fourth Street, Ste 500
Los Angeles, CA 90013
Phone: (213) 620-2021
Fax: (213) 576-7007
hcv@cpuc.ca.gov

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I am a resident of the State of California. I am over the age of eighteen years, and not a party to this action. My business address is 201 California Street, Seventeenth Floor, San Francisco, California 94111-5002.

On February 4, 2011, I served the following document(s):

JOINT PREHEARING CONFERENCE STATEMENT OF APPLICANT FORESTHILL TELEPHONE COMPANY AND DIVISION OF RATEPAYER ADVOCATES

on each of the parties listed below at the following addresses:

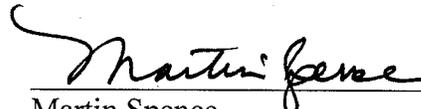
SEE ATTACHED LIST

BY MAIL: I am readily familiar with the business practice at my place of business for collection and processing of correspondence for mailing with the United States Postal Service. Correspondence so collected and processed is deposited with the United States Postal Service that same day in the ordinary course of business. On the date specified above, as to each of the parties identified in the above service list, a true copy of the above-referenced document(s) were placed for deposit in the United States Postal Service in a sealed envelope, with postage fully prepaid; and on that same date that envelope was placed for collection in the firm's daily mail processing center, located at San Francisco, California following ordinary business practices.

BY ELECTRONIC DELIVERY: On the date specified above, by or before 5:00 p.m., I transmitted from electronic notification address mspence@cwclaw.com, a true copy of the above-referenced document(s) to the notification address(es) identified in the above service list, each of which electronic notification address is the last electronic notification address given on any document filed in the cause by the party served. The described transmission was reported as complete and without error.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on February 4, 2011, at San Francisco, California.



Martin Spence

SERVICE LIST

CPUC Service List as of January 26, 2011 Proceeding No. A. 10-12-012

HIEN VO
CALIF PUBLIC UTILITIES COMMISSION
LEGAL DIVISION
505 VAN NESS AVENUE, ROOM 5135
SAN FRANCISCO, CA 94102-3214

DAVID CLARK
FORESTHILL TELEPHONE COMPANY INC.
EMAIL ONLY

ALIK LEE
CALIF PUBLIC UTILITIES COMMISSION
COMMUNICATIONS POLICY BRANCH
505 VAN NESS AVENUE, ROOM 4209
SAN FRANCISCO, CA 94102-3214

BREWSTER FONG
CALIF PUBLIC UTILITIES COMMISSION
COMMUNICATIONS POLICY BRANCH
505 VAN NESS AVENUE, ROOM 4209
SAN FRANCISCO, CA 94102-3214

BURTON MATTSON
CALIF PUBLIC UTILITIES COMMISSION
DIVISION OF ADMINISTRATIVE
LAW JUDGES
505 VAN NESS AVENUE, ROOM 5104
SAN FRANCISCO, CA 94102-3214
(E-MAIL AND U.S. MAIL)

CHRISTOPHER MYERS
CALIF PUBLIC UTILITIES COMMISSION
COMMUNICATIONS POLICY BRANCH
505 VAN NESS AVENUE, ROOM 4209
SAN FRANCISCO, CA 94102-3214

CLEASON WILLIS
CALIF PUBLIC UTILITIES COMMISSION
WATER BRANCH
505 VAN NESS AVENUE, AREA 3-B
SAN FRANCISCO, CA 94102-3214

COURTESY COPY TO:

SAZEDUR RAHMAN, P.E.
PROJECT COORDINATOR
DIVISION OF RATEPAYER ADVOCATES
CALIF PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102

MICHAEL R. PEEVEY
COMMISSION PRESIDENT
CALIFORNIA PUBLIC UTILITIES
COMMISSION
505 VAN NESS AVENUE, ROOM 5218
SAN FRANCISCO, CA 94102
(E-MAIL AND U.S. MAIL)