

Resolution T-17346 as modified by Resolution T-17356
CD/MWC

DRAFT

ATTACHMENT I

Revised Version of Resolution T-17346

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Communications Division
Carrier Oversight & Programs Branch

RESOLUTION T- 17346
December 1, 2011

R E S O L U T I O N

Resolution T-17346 Fourteen Small Incumbent Local Exchange Carriers and the California High Cost Fund-A Administrative Committee Fund.

This Resolution Sets Forth The California High Cost Fund-A Support For Each of the Fourteen Small Incumbent Local Exchange Carriers For Calendar Year 2012.

BY ADVICE LETTER NO.	FILED BY:	DATE FILED:
323	Calaveras Telephone Company (Calaveras)	9/19/11
339	California-Oregon Telephone Company (Cal-Ore)	9/19/11
339	Ducor Telephone Company (Ducor)	9/19/11
305	Foresthill Telephone Company (Foresthill)	9/27/11
715	Frontier Communications West Coast, Inc. (Frontier WC)	9/30/11
322	Happy Valley Telephone Company (Happy Valley)	9/30/11
295	Hornitos Telephone Company (Hornitos)	9/30/11
383	Kerman Telephone Company (Kerman)	9/27/11
246	Pinnacles Telephone Company (Pinnacles)	9/19/11
413	The Ponderosa Telephone Company (Ponderosa)	9/30/11
396	Sierra Telephone Company (Sierra)	9/29/11
371	Siskiyou Telephone Company (Siskiyou)	9/26/11
363	Volcano Telephone Company (Volcano)	9/29/11
216	Winterhaven Telephone Company (Winterhaven)	9/30/11

Summary

This resolution adopts a total Calendar Year (CY) 2012 California High Cost Fund-A (CHCF-A) support of \$33,699,351.67 for Calaveras, Cal-Ore, Ducor, Foresthill, Frontier

WC, Happy Valley, Hornitos, Kerman, Pinnacles, Ponderosa, Sierra, Siskiyou, Volcano, and Winterhaven. The development of the CHCF-A support for each small Incumbent Local Exchange Carrier (ILEC) is shown in Appendix A and explained in the Discussion section below. The table below summarizes the monthly and yearly CHCF-A support authorized by this resolution for each of the 10 small ILECs that requested support:

<u>Small Incumbent Local Exchange Carrier</u>	<u>Monthly Support</u>	<u>Yearly Support</u>
	<u>2012</u>	<u>2012</u>
Calaveras	\$178,014.20	\$2,136,170.36
Cal-Ore	\$94,264.13	\$1,131,169.58
Ducor	\$207,304.82	\$2,487,657.79
Foresthill	\$213,847.00	\$2,566,164.00
Kerman	\$286,919.65	\$3,443,035.81
Pinnacles	\$7,432.83	\$89,193.98
Ponderosa	\$303,967.10	\$3,647,605.15
Sierra	\$950,526.02	\$11,406,312.30
Siskivou	\$310,738.77	\$3,728,865.24
Volcano	\$255,264.79	\$3,063,177.46
Total	\$2,808,279.31	\$33,699,351.67

This resolution directs the Communications Division (CD) in concert with the Information and Management Services Division (IMSD) to pay the respective small ILECs monthly support as indicated above within 30 days after the close of each calendar month. The prompt payment of monthly support to the small ILECs is contingent on the availability of funds of the California Public Utilities Commission (Commission) and State adoption of the budgets covering the payment of the 2012 CHCF-A support. Should the monthly support payments due the small ILECs not be paid within 30 days after the close of each calendar month, CD shall include in those payments interest equal to the 3-month commercial paper rate.¹

Background

The California High Cost Fund (HCF) was implemented by Decision (D.) 88-07-022, as modified by D.91-05-016 and D.91-09-042, to provide a source of supplemental revenues to three mid-size and seventeen small ILECs whose basic exchange access line service rates would otherwise be increased to levels that would threaten universal service. These decisions provided program guidelines, referred to as Implementation Rules, as well as an annual filing process to simply adjust straightforward and non-controversial program adjustments. Pacific Bell was appointed as the administrator of the fund and established a separate trust.

¹ This is consistent with directives set forth in D.01-02-018 and D.01-09-064.

D.96-10-066 changed the name of HCF to CHCF-A, and also created the California High Cost Fund-B (CHCF-B). This decision included Pacific Bell (now AT&T), GTE California Incorporated (now Verizon)², Roseville Telephone Company (now SureWest), and Citizens Telecommunications Company of California (now Frontier) in the CHCF-B for the purpose of determining universal service subsidy support and maintained the CHCF-A for the 17 small ILECs. This decision also directed the Commission to take over the administration of the CHCF-A from Pacific Bell.

Resolution T-16092 approved the transfer of administrative control of the CHCF-A from Pacific Bell to the Commission effective January 1, 1998. This resolution appointed three Commission staff members as committee members of the CHCF-A Trust Administrative Committee (AC) charged with the responsibility of administering the CHCF-A on behalf of the Commission. D.98-06-065 renamed the committee as California High Cost Fund-A AC and revised the governance of the CHCF-A consistent with State rules and procedures.

In October 1999, Public Utilities (PU) Codes § 270-281 were codified as a result of the enactment of Senate Bill (SB) 669 (Stats. 1999, Chapter 677). Section 270(b) requires that the monies in the CHCF-A and five other funds be expended pursuant to § 270-281 and upon appropriation in the annual Budget Act. Since Fiscal Year (FY) 2001-02, the CHCF-A Fund expenditures have been authorized in the State's Annual Budget Act.

D.01-09-064 revised the charter of CHCFA-AC to conform to SB 669, and D.02-04-059 established a three-member board for the CHCFA-AC.

PU Code § 275.6 requires the Commission to implement a program for universal service support to reduce any rate disparity in rural areas charged by small telephone corporations that are subject to rate-of-return regulation by the Commission. PU Code § 275.6 was scheduled to sunset on January 1, 2013, but was extended by the Legislature to January 1, 2015.

D.08-10-010 authorized the consolidation of three small ILECs: Citizens Telecommunications Company of Tuolumne, Citizens Telecommunications Company of the Golden State and Global Valley Networks, Inc., with the midsize ILEC of Citizens Telecommunications Company of California Inc. The consolidation authorized by D.08-10-010 became effective on January 1, 2009, and therefore, reduced the total number of small ILECs eligible for CHCF-A support from 17 to 14 small ILECs.

Commission D.10-02-016 dated March 1, 2010 sought to clarify the "150 percent formula" in response to issues raised by the Small ILECs in Application 09-01-002. D.10-02-016 reaffirmed that the 150% differential between Small ILECs rates and

² Verizon Telephone Company resulted from the merger of GTE of CA and GTE Contel.

California urban rates is a threshold that must be met in order to qualify for CHCF-A funding. However, the decision also held that the Small ILECs rates shall be fixed at the current level of \$20.25 per month. This rate shall remain in effect until the Commission has issued a Decision in the CHCF-A Order Instituting Rulemaking process.

On or about October 1, 2011, the 14 small ILECs made their annual CHCF-A advice letter filings in accordance with D.91-09-042. These 14 small ILECs requested a total CY 2012 CHCF-A support of approximately \$34.667 million.

Notice/Protests

The 14 small ILECs 2012 CHCF-A advice letter filings appeared in the Commission's Daily Calendar in September and October 2011. No protests to the advice letter filings have been received.

Discussion

In this Resolution, the Commission adopts a CHCF-A support of \$33,699,351.67 for CY 2012. This total support is broken down for each of the 14 small ILECs as noted in the summary section of this Resolution.

A. 2012 CHCF-A Revenue Requirements and Supports

CD reviewed the advice letter filings made by the 14 small ILECs in connection with the 2012 CHCF-A revenue requirements and revised their requests for the following reasons discussed below:

1. Guidelines adopted in D.88-07-022³; and
2. Updated estimates of the Net Interstate Expense Adjustment as provided by the National Exchange Carrier Association (NECA).

Specific implementation rules and Commission orders that guided CD's revisions include, but are not limited to, the following:

General Rate Cases (GRCs)

On December 22, 2010, Foresthill filed a GRC Application for test year 2012. On October 1, 2009, Siskiyou filed a GRC Application for test year 2011. Calaveras', Cal-Ore's, Ducor's, Pinnacles' and Ponderosa's latest filings were in 2007 for test year 2009. Kerman's latest GRC filing was in 2006 for test year 2008. Sierra's

³ D.88-07-022 was modified by D.91-05-016, D.91-09-042, Resolution T-16117, D.00-09-072, D.01-02-018, and D.01-05-031. These guidelines are summarized in the Appendix of D. 91-09-042, which are hereinafter referred to as the Implementation Rules.

latest GRC filing was in 2006 for test year 2008. Volcano's latest GRC filing was in 2006 for test year 2008. Sierra and Volcano have chosen not to file for a GRC by December 31, 2011. Happy Valley, Hornitos, Frontier WC (formerly Verizon – West Coast) and Winterhaven's last GRC filing was for test year 1997.

In all test year GRCs, the carriers were authorized a 10% rate of return, since 1997.

Means Test

Section B of the Implementation Rules requires that each CHCF-A support request be subject to a means test, i.e. the small ILECs CHCF-A support is limited to forecasted intrastate results of operations not to exceed the small ILECs authorized rate of return. The forecasted earnings must be based on at least seven months of recorded financial data, annualized for the year that the advice letter is filed. D. 91-09-042 also provides that the means test is not required in determining a ILEC's CHCF-A funding 12 months after a decision or resolution is rendered by the Commission in a GRC proceeding.

Waterfall

Pursuant to § D of the Implementation Rules, the phase down of the CHCF-A funding level is reinitiated effective January 1 following the year after the completion of a GRC. The funding levels are 100% for the first 3 years, 80% the fourth year, 50% the fifth year, and 0% thereafter. This 6-year phase down of funding level is known as the Waterfall.

The funding levels for the 14 small ILECs for 2012 are summarized below:

<u>Small ILEC</u>	<u>GRC Test Year</u>	<u>2012</u>
Calaveras	2009	100%
Cal-Ore	2009	100%
Ducor	2009	100%
Foresthill	2012	100%
Frontier WC	1997	0%
Happy Valley	1997	0%
Hornitos	1997	0%
Kerman	2008	100%
Pinnacles	2009	100%
Ponderosa	2009	100%
Sierra	2008	80%
Siskiyou	2011	100%
Volcano	2008	80%
Winterhaven	1997	0%

Sierra and Volcano did not file for a GRC by December 31, 2011, and pursuant to the CHCF-A waterfall criteria their waterfall has been reduced to 80%. Because the funding level pursuant to the CHCF-A waterfall criteria has reached 0%, Frontier WC, Happy Valley, Hornitos and Winterhaven are not entitled to CHCF-A support nor have they requested program support.

Net Interstate Expense Adjustment

Section B of the Implementation Rules authorizes the small ILECs to include the changes of their federal Universal Service Fund (USF) funding in the annual CHCF-A filings. Under Resolution T-16117, the change of USF funding level must be determined for each carrier by the difference between the forecasted USF support for the current year and the forecasted USF support for the coming year. The current year's forecasted USF support is the amount adopted by the Commission for the current year CHCF-A revenue requirement. The coming year's forecasted USF is the amount projected by NECA, the administrator of USF.⁴

⁴ Data used is the NECA projected 2012 USF Payments provided by NECA on October 3, 2011.

In response to the NECA funding changes, each carrier's CHCF-A 2011 support has been adjusted for 2012.

Revenue Effect Associated with GRC Modification

As part of their 2012 annual CHCF-A advice letter filings, Calaveras and Ducor have included proposed modifications to their 2012 CHCF-A support. These carriers are requesting modification to their support for items that are currently pending in ongoing Applications for Rehearing filed in response to their GRCs for Test Year 2009. Since these items are currently being reviewed and considered by the Commission in the above formal proceedings, we will not address them here in this Resolution. After the Commission issues a decision in the above formal proceedings, we will make the necessary adjustments to the carriers' CHCF-A support.

B. CHCF-A Summary by Carrier

The CHCF-A support and the rate designs for each of the 14 small ILECs for CY 2012 are summarized below. The detailed tables showing the CHCF-A support for the 14 small ILECs are shown in Appendix A.

Calaveras, Page 1 of Appendix A

Calaveras has a 2012 CHCF-A revenue requirement of \$2,136,170.36 (at Line 6, Page 1 of Appendix A). Thus, Calaveras shall receive monthly CHCF-A support in the amount of \$178,014.20, i.e. one-twelfth of \$2,136,170.36 for January through December 2012.

Cal-Ore, Page 2 of Appendix A

Cal-Ore has a 2012 CHCF-A revenue requirement of \$1,312,565.69 (at Line 6, Page 2 of Appendix A). After the means test, Cal-Ore has a revenue requirement of \$1,131,169.58 (at Line 11, Page 2 of Appendix A). Thus, Cal-Ore shall receive monthly CHCF-A support in the amount of \$94,264.13, i.e. one-twelfth of \$1,131,169.58, for January through December 2012.

Ducor, Page 3 of Appendix A

Ducor has a 2012 CHCF-A revenue requirement of \$2,487,657.79 (at Line 6, Page 3 of Appendix A). Thus, Ducor shall receive monthly CHCF-A support in the amount of \$207,304.82, i.e. one-twelfth of \$2,487,657.79 for January through December 2012.

Foresthill, Page 4 of Appendix A

In a pending Commission Decision, Appendix A shows the expected CHCF-A support of \$2,566,164. Thus, Foresthill shall receive monthly CHCF-A support in the amount of \$213,847, i.e. one-twelfth of \$2,566,164, for January through December 2012.

Frontier-WC, Page 5 of Appendix A

Frontier-WC has a 2012 CHCF-A revenue requirement of \$811,335 (at Line 6, Page 5 of Appendix A). In its advice letter, Frontier-WC stated that they are not requesting a draw from the CHCF-A. Thus, Frontier-WC will not receive any CHCF-A support for 2012.

Happy Valley, Page 6 of Appendix A

Happy Valley has a 2012 CHCF-A revenue requirement of \$2,800,875.27 (at Line 6, Page 6 of Appendix A). In its advice letter, Happy Valley stated that they are not requesting a draw from the CHCF-A. Thus, Happy Valley will not receive any CHCF-A support for 2012.

Hornitos, Page 7 of Appendix A

Hornitos, has a 2012 CHCF-A revenue requirement of \$542,864.41 (at Line 6, Page 7 of Appendix A). In its advice letter, Hornitos stated that they are not requesting a draw from the CHCF-A. Thus, Hornitos will not receive any CHCF-A support for 2012.

Kerman, Page 8 of Appendix A

Kerman has a 2012 CHCF-A revenue requirement of \$3,443,035.81 (at Line 6, Page 8 of Appendix A). Thus, Kerman shall receive monthly CHCF-A support in the amount of \$286,919.65, i.e. one-twelfth of \$3,443,035.81, for January through December 2012.

Pinnacles, Page 9 of Appendix A

Pinnacles has a 2012 CHCF-A revenue requirement of \$254,316.56 (at Line 6, Page 9 of Appendix A). After the means test, Pinnacles has a 2012 revenue requirement of \$89,193.98. Thus, Pinnacles shall receive monthly CHCF-A support in the amount of \$7,432.83, i.e. one-twelfth of \$89,193.98, for January through December 2012.

Ponderosa, Page 10 of Appendix A

Ponderosa has a 2012 CHCF-A revenue requirement of \$3,647,605.15 (at Line 6, Page 10 of Appendix A). Thus, Ponderosa shall receive monthly CHCF-A support in the amount of \$303,967.10, i.e. one-twelfth of \$3,647,605.15, for January through December 2012.

Sierra, Page 11 of Appendix A

Sierra has a 2012 CHCF-A revenue requirement of \$14,257,890.37 (at Line 6, Page 11 of Appendix A). Sierra will not file for a GRC by December 31, 2011, and their waterfall will drop to 80% for CY 2012. Thus, Sierra shall receive monthly CHCF-A support in the amount of \$950,526.02, i.e. one-twelfth of \$11,406,312.30, for January through December 2012.

Siskiyou, Page 12 of Appendix A

Siskiyou has a 2012 CHCF-A revenue requirement of \$3,728,865.24 (at Line 6, Page 12 of Appendix A). Siskiyou's last GRC was for Test Year 2011, and thus Siskiyou is not subject to a means test for CY 2012. Thus, Siskiyou shall receive monthly CHCF-A support in the amount of \$310,738.77, i.e. one-twelfth of \$3,728,865.24, for January through December 2012.

Volcano, Page 13 of Appendix A

Volcano has a 2012 CHCF-A revenue requirement of \$3,828,971.83 (at Line 6, Page 13 of Appendix A). Volcano will not file for a GRC in 2011 and their waterfall will drop to 80% for CY 2012. Thus, Volcano shall receive monthly CHCF-A support in the amount of \$255,264.79, i.e. one-twelfth of \$3,063,177.46, for January through December 2012.

Winterhaven, Page 14 of Appendix A

Winterhaven has a 2012 CHCF-A revenue requirement of \$210,314.25 (at Line 6, Page 14 of Appendix A). In its advice letter, Winterhaven stated that they are not requesting a draw from the CHCF-A. Thus, Winterhaven will not receive any CHCF-A support for 2012.

The Commission finds CD's recommended CHCF-A support amounts for the 14 small ILECs for CY 2012 reasonable and consistent after review of the Advice Letter filings, adjustments based on CD and FCC orders and calculation of a means test, if applicable, and are therefore adopted.

C. CHCF-A Budget for Fiscal Year (FY) 2011-12 and FY 2012-13

In Resolution T- 17283, the Commission adopted a CHCF-A program budget of \$56.283 million for FY 2011-12. For FY 2012-13, in Resolution T-17331, the Commission adopted a CHCF-A program budget of \$49.773 million. Of the budgeted amounts, \$45.398 million and \$43.950 million have been allocated as program payments to the small ILECs for FY 2011-12 and FY 2012-13, respectively.

There are enough funds in both the FY 2011-12 and FY 2012-13 budgets to cover CY 2012 CHCF-A support to the small ILECs.

CD, in concert with the IMSD, shall make the monthly support payments within 30 days after the close of each calendar month.⁵ In the event that the monthly support payments due to the small ILECs are not paid within 30 days after the close of each calendar month, CD shall include in those payments interest equal to the 3-month commercial paper rate.

Comments on Draft Resolution

In compliance with PU Code § 311(g), a notice letter was emailed on November 1, 2011, informing the 14 small ILECs, CHCFA-AC, parties of record in Rulemaking 01-08-002 and parties on the service list of Application 99-09-044 of the availability of the draft of this Resolution for public comments at the Commission's web site <http://www.cpuc.ca.gov>. This letter also informed parties that the final Resolution adopted by the Commission will be posted and will be available at the same web site.

Cooper, White and Cooper (Cooper) filed comments on November 16, 2011, in response to the Draft Resolution asserting the following points:

1. The Draft Resolution should clarify that CHCF-A funding will be available to issue credits to reverse the results of the annulled Rural Telephone Bank Decisions.
2. Ponderosa's 2012 funding should be increased by \$92,464 to account for the anticipated adoption of Resolution T-17297 for additional corporate operations expense that should have been included in Ponderosa's Test Year 2009 General Rate Case Resolution.

The Commission has considered the comments of Cooper and upon further review addresses their comments as follows.

In response to item number one above, since the Rural Telephone Bank Decisions are being reviewed and considered by the Commission in formal proceedings, we will not address these issues in this Resolution. After the Commission makes a decision in the above formal proceedings, we will make the necessary adjustments, if any, to the respective Small ILECs CHCF-A support.

In response to item number two above, since this issue is being addressed by the Commission in Resolution T-17297, we will not address this issue in this Resolution.

⁵ The January 2012 monthly support will be paid in February 2012; the December 2012 monthly support will be paid in January 2013.

After the Commission makes a decision on Resolution T-17297, we will make the necessary adjustments, if any, to Ponderosa's CHCF-A support.

Findings

1. The California High Cost Fund (HCF) was implemented by Decision (D.) 88-07-022, as modified by D.91-05-016 and D.91-09-042. The Implementation Rules governing the California High Cost Fund (CHCF)-A can be found in their entirety in the Appendix of D.91-09-042. The purpose of the HCF was to provide a source of supplemental revenues to three mid-size Incumbent Local Exchange Carriers (ILECs) and seventeen small ILECs whose basic exchange access line service rates would otherwise be increased to levels that would threaten universal service.
2. D.96-10-066 changed the name of HCF to California High Cost Fund-A and created the California High Cost Fund-B (CHCF-B). This decision included the three mid-size ILECs in the CHCF-B for the purpose of determining universal service subsidy support and maintained the CHCF-A for 17 small ILECs. D.98-06-065 renamed the CHCF-A Trust Administrative Committee to CHCF-A Administrative Committee (CHCFA-AC) and revised the governance of CHCF-A to be consistent with State rules and procedures.
3. In October 1999, Public Utilities (PU) Codes § 270-281 were codified as a result of the enactment of Senate Bill 669.
4. D.08-10-010, effective January 1, 2009, authorized the consolidation of three small ILECs: Citizens Telecommunications Company of Tuolumne, Citizens Telecommunications Company of the Golden State and Global Valley Networks, Inc., with the midsize ILEC of, Citizens Telecommunications Company of California Inc. and reduced the number of small ILECs from 17 to 14.
5. PU Code § 270(b) requires that the monies in CHCF-A may only be expended pursuant to § 270-281 and upon appropriation in the annual Budget Act.
6. PU Code § 275.6 was amended to extend the CHCF-A program until January 1, 2015.
7. The Communications Division (CD) reviewed the filings made by the 14 small ILECs in connection with the 2012 CHCF-A payment requirements.
8. CD revised the 2012 CHCF-A support requests submitted by the 14 small ILECs in accordance with the Implementation Rules and Guidelines set forth in D.88-07-022 as modified by D.91-05-016, D.91-09-042, Resolution T-16117, D.00-09-072 and D.01-02-018.
9. D.10-02-016 reaffirmed that the 150% differential between Small ILEC rates and California urban rates is a threshold that must be met to qualify for CHCF-A funding. However, the Small ILECs rates shall be fixed at the maximum \$20.25 per

month and remain in effect until the Commission has issued a Decision in the CHCF-A Order Instituting Rulemaking.

10. CD reviewed the Advice Letter filings by the 14 small ILECs and net settlement effects based on regulatory changes ordered by the Commission and the Federal Communications Commission.
11. As part of their 2012 annual CHCF-A advice letter filings, Calaveras and Ducor included modifications to their test year 2009 General Rate Cases (GRC). As these GRCs are now in the Application process, these modification requests are not addressed in the Resolution because they are being addressed in their respective proceedings.
12. The total approved 2012 CHCF-A draw for Calaveras, Cal-Ore, Ducor, Foresthill, Frontier WC, Happy Valley, Hornitos, Kerman, Pinnacles, Ponderosa, Sierra, Siskiyou, Volcano, and Winterhaven is \$ 33,699,351.67.
13. The monthly support payments for January 2012 through December 2012 are to be paid by the CD in concert with the Information and Management Services Division within 30 days after the close of each calendar month subject to the availability of funds of the Commission and State adoption of the budgets covering the payment of the 2012 CHCF-A support. In the event that the monthly support payments due the small ILECs are not paid within 30 days after the close of each calendar month, CD shall include in those payments interest equal to the 3-month commercial paper rate.
14. In Resolution T- 17283, the Commission adopted a CHCF-A program budget of \$56.283 million for Fiscal Year (FY) 2011-12. For FY 2012-13, in Resolution T-17331, the Commission adopted budget for the CHCF-A program is \$49.773 million. Therefore, there are adequate funds from the FY 2011-12 and FY 2012-13 budgets to cover the 2012 CHCF-A support to the small ILECs.
15. A notice letter was emailed on November 1, 2011, informing the 14 small ILECs, CHCFA-AC, parties of record in Rulemaking 01-08-002 and parties on the service list of Application 99-09-044 of the availability of the draft of this Resolution for public comments at the Commission's web site <http://www.cpuc.ca.gov>. Cooper, White and Cooper commented on the Draft Resolution.
16. The Commission finds CD's recommended CHCF-A support for each of the 14 small ILECs as summarized in Appendix A of this Resolution reasonable and consistent with Commission orders and should be adopted.

THEREFORE, IT IS ORDERED that:

1. The respective California High Cost Fund-A support for each of the 14 small Local Exchange Carriers, as described in the body and summarized in Appendix A of this Resolution, is adopted.

2. The total approved California High Cost Fund-A support of **\$33,699,351.67** for the small Incumbent Local Exchange Carriers for Calendar Year 2012 is listed below:

<u>Small Incumbent Local Exchange Carrier</u>	<u>Monthly Support</u>	<u>Yearly Support</u>
	<u>2012</u>	<u>2012</u>
Calaveras Telephone Company	\$178,014.20	\$2,136,170.36
Cal-Ore Telephone Company	\$94,264.13	\$1,131,169.58
Ducor Telephone Company	\$207,304.82	\$2,487,657.79
Foresthill Telephone Company	\$213,847.00	\$2,566,164.00
Kerman Telephone Company	\$286,919.65	\$3,443,035.81
Pinnacles Telephone Company	\$7,432.83	\$89,193.98
Ponderosa Telephone Company	\$303,967.10	\$3,647,605.15
Sierra Telephone Company	\$950,526.02	\$11,406,312.30
Siskiyou Telephone Company	\$310,738.77	\$3,728,865.24
Volcano Telephone Company	\$255,264.79	\$3,063,177.46
	<u>\$2,808,279.31</u>	<u>\$33,699,351.67</u>

The monthly support payments for January 2012 through December 2012 are to be paid by the Communications Division in concert with the Information and Management Services Division within 30 days after the close of each calendar month. The prompt payment of monthly support to the Local Exchange Carriers is contingent on the availability of funds and the Commission and State adoption of the budgets covering the payment for the 2012 California High Cost Fund-A support. In the event that the monthly support payments due the small Local Exchange Carriers are not paid within 30 days after the close of each calendar month, Communications Division shall include in those payments interest equal to the 3-month commercial paper rate.

3. The program support payments totaling **\$33,699,351.67** for the 14 small Incumbent Local Exchange Carriers shall be paid out of the California High Cost Fund-A fund.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on December 1, 2011. The following Commissioners approved it:

/s/ Paul Clanon

PAUL CLANON
Executive Director

MICHAEL R. PEEVEY
President
TIMOTHY ALAN SIMON
MICHEL PETER FLORIO
CATHERINE J.K. SANDOVAL
MARK J. FERRON
Commissioners

APPENDIX A

Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Calaveras	Staff	Commission
	<u>AL 323</u>	<u>Proposed</u>	<u>Adopted</u>
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8 plus Decision 10-09-007)	\$2,171,034.31	\$2,248,838.31	\$2,248,838.31
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	\$0.00	\$0.00	\$0.00
3 Year 2012 Impacts (Non-Recurring)	<u>\$393,642.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$393,642.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$131,214.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$131,214.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$2,120,003.69	\$2,120,003.69	\$2,120,003.69
b Projected Year 2012 USF (Per NECA.)	<u>(\$2,159,358.03)</u>	<u>(\$2,232,671.64)</u>	<u>(\$2,232,671.64)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	(\$39,354.34)	(\$112,667.95)	(\$112,667.95)
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$2,656,535.97	\$2,136,170.36	\$2,136,170.36
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$2,656,535.97	\$2,136,170.36	\$2,136,170.36
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$2,656,535.97	\$2,136,170.36	\$2,136,170.36
11 2012 Revenue Requirement after Means Test	\$2,395,136.40	\$2,136,170.36	\$2,136,170.36
12 Waterfall effect	100.00%	100.00%	100.00%
13 2012 Revenue Requirement after Waterfall	\$2,395,136.40	\$2,136,170.36	\$2,136,170.36
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$2,395,136.40	\$2,136,170.36	\$2,136,170.36
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	\$199,594.70	\$178,014.20	\$178,014.20

APPENDIX A
Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Cal-Ore <u>AL 339</u>	Staff <u>Proposed</u>	Commission <u>Adopted</u>
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8 plus Decision 11-05-033)	\$1,136,021.37	\$1,154,204.37	\$1,154,204.37
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	\$0.00	\$0.00	\$0.00
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$824,674.63	\$824,674.63	\$824,674.63
b Projected Year 2012 USF (Per NECA.)	<u>(\$626,981.44)</u>	<u>(\$666,313.31)</u>	<u>(\$666,313.31)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	\$197,693.19	\$158,361.32	\$158,361.32
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$1,333,714.56	\$1,312,565.69	\$1,312,565.69
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$1,333,714.56	\$1,312,565.69	\$1,312,565.69
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$1,333,714.56	\$1,312,565.69	\$1,312,565.69
11 2012 Revenue Requirement after Means Test	\$1,170,508.93	\$1,131,169.58	\$1,131,169.58
12 Waterfall effect	100.00%	100.00%	100.00%
13 2012 Revenue Requirement after Waterfall	\$1,170,508.93	\$1,131,169.58	\$1,131,169.58
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$1,170,508.93	\$1,131,169.58	\$1,131,169.58
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	\$97,542.41	\$94,264.13	\$94,264.13

APPENDIX A

Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Ducor AL 339	Staff Proposed	Commission Adopted
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8 plus Decision 11-05-032)	\$2,517,691.82	\$2,517,757.82	\$2,517,757.82
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	\$0.00	\$0.00	\$0.00
3 Year 2012 Impacts (Non-Recurring)	<u>\$392,384.63</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$392,384.63	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$97,745.95</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$97,745.95	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$911,436.98	\$911,436.98	\$911,436.98
b Projected Year 2012 USF (Per NECA.)	<u>(\$919,516.81)</u>	<u>(\$941,537.01)</u>	<u>(\$941,537.01)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	(\$8,079.83)	(\$30,100.03)	(\$30,100.03)
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$2,999,742.57	\$2,487,657.79	\$2,487,657.79
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$2,999,742.57	\$2,487,657.79	\$2,487,657.79
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$2,999,742.57	\$2,487,657.79	\$2,487,657.79
11 2012 Revenue Requirement after Means Test	\$2,861,441.72	\$2,487,657.79	\$2,487,657.79
12 Waterfall effect	100.00%	100.00%	100.00%
13 2012 Revenue Requirement after Waterfall	\$2,861,441.72	\$2,487,657.79	\$2,487,657.79
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$2,861,441.72	\$2,487,657.79	\$2,487,657.79
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	\$238,453.48	\$207,304.82	\$207,304.82

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Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Foresthill	Staff	Commission
	<u>AL 305</u>	<u>Proposed</u>	<u>Adopted</u>
1 2011 CHCF-A Requirement			
(Resolution T-17298, Appendix A line 8)			
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)			
3 Year 2012 Impacts (Non-Recurring)			
a GRC Modifications			
4 Year 2012 Impacts (Recurring)			
a GRC Modifications and/or Rehearing			
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)			
b Projected Year 2012 USF (Per NECA.)			
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)			
6 2012 CHCF-A Revenue Requirement			
(sum of lines 1, 2, 3 and 4 and 5c)			
7 Rate Increase			
(1-Party Residential Flat-Rate Service)			
8 Total 2012 Revenue Requirement			
(Beginning CHCF-A Revenue Requirement for 2013)			
9 Temporary Surcredit			
10 2012 Revenue Requirement eligible for CHCF-A Support			
11 2012 Revenue Requirement after Means Test			
12 Waterfall effect			
13 2012 Revenue Requirement after Waterfall			
14 Adjustments			
15 2012 CHCF-A Support	\$2,566,164.00	\$2,566,164.00	\$2,566,164.00
16 Monthly Payment for Periods Jan - Dec 2012	\$213,847.00	\$213,847.00	\$213,847.00
(Line 16/12)			

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Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Frontier-WC	Staff	Commission
	<u>AL 715</u>	<u>Proposed</u>	<u>Adopted</u>
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8)	\$811,335.00	\$811,335.00	\$811,335.00
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	\$0.00	\$0.00	\$0.00
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$0.00	\$0.00	\$0.00
b Projected Year 2012 USF (Per NECA.)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	\$0.00	\$0.00	\$0.00
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$811,335.00	\$811,335.00	\$811,335.00
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$811,335.00	\$811,335.00	\$811,335.00
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$811,335.00	\$811,335.00	\$811,335.00
11 2012 Revenue Requirement after Means Test	\$0.00	\$0.00	\$0.00
12 Waterfall effect	0.00%	0.00%	0.00%
13 2012 Revenue Requirement after Waterfall	\$0.00	\$0.00	\$0.00
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$0.00	\$0.00	\$0.00
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

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Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A) Happy Valley AL 322	(Col B) Staff Proposed	(Col C) Commission Adopted
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8)	\$2,800,875.27	\$2,800,875.27	\$2,800,875.27
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	\$0.00	\$0.00	\$0.00
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$0.00	\$0.00	\$0.00
b Projected Year 2012 USF (Per NECA.)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	\$0.00	\$0.00	\$0.00
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$2,800,875.27	\$2,800,875.27	\$2,800,875.27
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$2,800,875.27	\$2,800,875.27	\$2,800,875.27
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$2,800,875.27	\$2,800,875.27	\$2,800,875.27
11 2012 Revenue Requirement after Means Test	\$0.00	\$0.00	\$0.00
12 Waterfall effect	0.00%	0.00%	0.00%
13 2012 Revenue Requirement after Waterfall	\$0.00	\$0.00	\$0.00
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$0.00	\$0.00	\$0.00
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

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Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Hornitos	Staff	Commission
	<u>AL 295</u>	<u>Proposed</u>	<u>Adopted</u>
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8)	\$537,990.83	\$537,990.83	\$537,990.83
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	\$0.00	\$0.00	\$0.00
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$32,473.17	\$32,473.17	\$32,473.17
b Projected Year 2012 USF (Per NECA.)	<u>(\$18,736.00)</u>	<u>(\$27,599.59)</u>	<u>(\$27,599.59)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	\$13,737.17	\$4,873.58	\$4,873.58
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$551,728.00	\$542,864.41	\$542,864.41
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$551,728.00	\$542,864.41	\$542,864.41
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$551,728.00	\$542,864.41	\$542,864.41
11 2012 Revenue Requirement after Means Test	\$0.00	\$0.00	\$0.00
12 Waterfall effect	0.00%	0.00%	0.00%
13 2012 Revenue Requirement after Waterfall	\$0.00	\$0.00	\$0.00
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$0.00	\$0.00	\$0.00
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	\$0.00	\$0.00	\$0.00

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Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Kerman	Staff	Commission
	<u>AL 383</u>	<u>Proposed</u>	<u>Adopted</u>
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8)	\$3,599,934.00	\$3,599,933.59	\$3,599,933.59
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	\$0.00	\$0.00	\$0.00
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$1,918,125.00	\$1,918,125.21	\$1,918,125.21
b Projected Year 2012 USF (Per NECA.)	<u>(\$1,918,125.00)</u>	<u>(\$2,075,022.99)</u>	<u>(\$2,075,022.99)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	\$0.00	(\$156,897.78)	(\$156,897.78)
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$3,599,934.00	\$3,443,035.81	\$3,443,035.81
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$3,599,934.00	\$3,443,035.81	\$3,443,035.81
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$3,599,934.00	\$3,443,035.81	\$3,443,035.81
11 2012 Revenue Requirement after Means Test	\$3,599,934.00	\$3,443,035.81	\$3,443,035.81
12 Waterfall effect	100.00%	100.00%	100.00%
13 2012 Revenue Requirement after Waterfall	\$3,599,934.00	\$3,443,035.81	\$3,443,035.81
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$3,599,934.00	\$3,443,035.81	\$3,443,035.81
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	\$299,994.50	\$286,919.65	\$286,919.65

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Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Pinnacles	Staff	Commission
	<u>AL 246</u>	<u>Proposed</u>	<u>Adopted</u>
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8)	\$210,965.00	\$210,965.00	\$210,965.00
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	\$0.00	\$0.00	\$0.00
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$457,952.00	\$457,952.00	\$457,952.00
b Projected Year 2012 USF (Per NECA.)	<u>(\$410,279.67)</u>	<u>(\$414,600.44)</u>	<u>(\$414,600.44)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	\$47,672.33	\$43,351.56	\$43,351.56
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$258,637.33	\$254,316.56	\$254,316.56
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$258,637.33	\$254,316.56	\$254,316.56
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$258,637.33	\$254,316.56	\$254,316.56
11 2012 Revenue Requirement after Means Test	\$93,515.03	\$89,193.98	\$89,193.98
12 Waterfall effect	100.00%	100.00%	100.00%
13 2012 Revenue Requirement after Waterfall	\$93,515.03	\$89,193.98	\$89,193.98
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$93,515.03	\$89,193.98	\$89,193.98
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	\$7,792.92	\$7,432.83	\$7,432.83

APPENDIX A

Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Ponderosa	Staff	Commission
	<u>AL 413</u>	<u>Proposed</u>	<u>Adopted</u>
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8 plus Decision 11-05-036)	\$4,504,546.89	\$4,504,546.89	\$4,504,546.89
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	(\$111,442.76)	(\$111,442.76)	(\$111,442.76)
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$6,361,995.87	\$6,361,995.87	\$6,361,995.87
b Projected Year 2012 USF (Per NECA.)	<u>(\$7,107,494.85)</u>	<u>(\$7,107,494.85)</u>	<u>(\$7,107,494.85)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	(\$745,498.98)	(\$745,498.98)	(\$745,498.98)
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$3,647,605.15	\$3,647,605.15	\$3,647,605.15
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$3,647,605.15	\$3,647,605.15	\$3,647,605.15
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$3,647,605.15	\$3,647,605.15	\$3,647,605.15
11 2012 Revenue Requirement after Means Test	\$3,647,605.15	\$3,647,605.15	\$3,647,605.15
12 Waterfall effect	100.00%	100.00%	100.00%
13 2012 Revenue Requirement after Waterfall	\$3,647,605.15	\$3,647,605.15	\$3,647,605.15
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$3,647,605.15	\$3,647,605.15	\$3,647,605.15
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	\$303,967.10	\$303,967.10	\$303,967.10

APPENDIX A

Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Sierra	Staff	Commission
	AL 396	Proposed	Adopted
1 2011 CHCF-A Requirement	\$14,903,838.00	\$15,286,734.61	\$15,286,734.61
(Resolution T-17298, Appendix A line 8) plus Resolution T-17309			
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	(\$1,169,204.00)	(\$1,169,204.37)	(\$1,169,204.37)
plus Resolution T-17309			
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$3,999,549.00	\$3,999,549.08	\$3,999,549.08
b Projected Year 2012 USF (Per NECA.)	<u>(\$3,560,720.00)</u>	<u>(\$3,859,188.95)</u>	<u>(\$3,859,188.95)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	\$438,829.00	\$140,360.13	\$140,360.13
6 2012 CHCF-A Revenue Requirement	\$14,173,463.00	\$14,257,890.37	\$14,257,890.37
(sum of lines 1, 2, 3 and 4 and 5c)			
7 Rate Increase	\$0.00	\$0.00	\$0.00
(1-Party Residential Flat-Rate Service)			
8 Total 2012 Revenue Requirement	\$14,173,463.00	\$14,257,890.37	\$14,257,890.37
(Beginning CHCF-A Revenue Requirement for 2013)			
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$14,173,463.00	\$14,257,890.37	\$14,257,890.37
11 2012 Revenue Requirement after Means Test	\$14,173,463.00	\$14,257,890.37	\$14,257,890.37
12 Waterfall effect	80.00%	80.00%	80.00%
13 2012 Revenue Requirement after Waterfall	\$11,338,770.40	\$11,406,312.30	\$11,406,312.30
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$11,338,770.40	\$11,406,312.30	\$11,406,312.30
16 Monthly Payment for Periods Jan - Dec 2012	\$944,897.53	\$950,526.02	\$950,526.02
(Line 16/12)			

APPENDIX A

Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Siskiyou AL 371	Staff Proposed	Commission Adopted
1 2011 CHCF-A Requirement (Decision 10-11-007 and Decision 11-07-005)	\$4,205,713.00	\$4,205,713.00	\$4,205,713.00
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	\$0.00	\$0.00	\$0.00
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Decision 10-11-007, Pg. 5 Footnote 4)	\$4,137,954.00	\$4,137,954.00	\$4,137,954.00
b Projected Year 2012 USF (Per NECA.)	<u>(\$4,551,428.00)</u>	<u>(\$4,614,801.76)</u>	<u>(\$4,614,801.76)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	(\$413,474.00)	(\$476,847.76)	(\$476,847.76)
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$3,792,239.00	\$3,728,865.24	\$3,728,865.24
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$3,792,239.00	\$3,728,865.24	\$3,728,865.24
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$3,792,239.00	\$3,728,865.24	\$3,728,865.24
11 2012 Revenue Requirement after Means Test	\$3,792,239.00	\$3,728,865.24	\$3,728,865.24
12 Waterfall effect	100.00%	100.00%	100.00%
13 2012 Revenue Requirement after Waterfall	\$3,792,239.00	\$3,728,865.24	\$3,728,865.24
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$3,792,239.00	\$3,728,865.24	\$3,728,865.24
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	\$316,019.92	\$310,738.77	\$310,738.77

APPENDIX A

Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A)	(Col B)	(Col C)
	Volcano	Staff	Commission
	<u>AL 363</u>	<u>Proposed</u>	<u>Adopted</u>
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8)	\$3,712,286.72	\$3,712,286.72	\$3,712,286.72
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	(\$85,024.00)	(\$85,024.00)	(\$85,024.00)
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$1,577,771.08	\$1,577,771.08	\$1,577,771.08
b Projected Year 2012 USF (Per NECA.)	<u>(\$1,202,402.51)</u>	<u>(\$1,376,061.97)</u>	<u>(\$1,376,061.97)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	\$375,368.57	\$201,709.11	\$201,709.11
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$4,002,631.29	\$3,828,971.83	\$3,828,971.83
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$4,002,631.29	\$3,828,971.83	\$3,828,971.83
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$4,002,631.29	\$3,828,971.83	\$3,828,971.83
11 2012 Revenue Requirement after Means Test	\$4,002,631.29	\$3,828,971.83	\$3,828,971.83
12 Waterfall effect	80.00%	80.00%	80.00%
13 2012 Revenue Requirement after Waterfall	\$3,202,105.03	\$3,063,177.46	\$3,063,177.46
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$3,202,105.03	\$3,063,177.46	\$3,063,177.46
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	\$266,842.09	\$255,264.79	\$255,264.79

APPENDIX A

Resolution T- 17346

Year 2012 CHCF-A Requirement

(On Annual Basis)

	(Col A) Winterhaven <u>AL 216</u>	(Col B) Staff <u>Proposed</u>	(Col C) Commission <u>Adopted</u>
1 2011 CHCF-A Requirement (Resolution T-17298, Appendix A line 8)	\$222,675.65	\$222,675.65	\$222,675.65
2 Prior Year CHCF-A Impact Requirements (Non-Recurring)	\$0.00	\$0.00	\$0.00
3 Year 2012 Impacts (Non-Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications	\$0.00	\$0.00	\$0.00
4 Year 2012 Impacts (Recurring)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
a GRC Modifications and/or Rehearing	\$0.00	\$0.00	\$0.00
5 Net Interstate Expense Adjustment			
a Projected 2011 USF (Resolution T-17298, Appendix A line 5b)	\$133,288.85	\$133,288.85	\$133,288.85
b Projected Year 2012 USF (Per NECA.)	<u>(\$127,781.00)</u>	<u>(\$145,650.25)</u>	<u>(\$145,650.25)</u>
c Net Interstate Expense Adjustment (sum of lines 5a and 5b)	\$5,507.85	(\$12,361.40)	(\$12,361.40)
6 2012 CHCF-A Revenue Requirement (sum of lines 1, 2, 3 and 4 and 5c)	\$228,183.50	\$210,314.25	\$210,314.25
7 Rate Increase (1-Party Residential Flat-Rate Service)	\$0.00	\$0.00	\$0.00
8 Total 2012 Revenue Requirement (Beginning CHCF-A Revenue Requirement for 2013)	\$228,183.50	\$210,314.25	\$210,314.25
9 Temporary Surcredit	0.00%	0.00%	0.00%
10 2012 Revenue Requirement eligible for CHCF-A Support	\$228,183.50	\$210,314.25	\$210,314.25
11 2012 Revenue Requirement after Means Test	\$0.00	\$0.00	\$0.00
12 Waterfall effect	0.00%	0.00%	0.00%
13 2012 Revenue Requirement after Waterfall	\$0.00	\$0.00	\$0.00
14 Adjustments	\$0.00	\$0.00	\$0.00
15 2012 CHCF-A Support	\$0.00	\$0.00	\$0.00
16 Monthly Payment for Periods Jan - Dec 2012 (Line 16/12)	\$0.00	\$0.00	\$0.00