

two year period, the Commission will review whether the life of the USWG should be continued.

4. The USWG shall prepare an annual report of a summary of their meetings, their objectives, the issues raised, their accomplishments, and their recommendations. The report shall be submitted to the Commission, and forwarded by the Commission to the Legislature for their information.

8. DISCOUNTS TO CERTAIN ENTITIES

- A. In response to the Telecommunications Act of 1996, and the principles expressed in AB 3643, a program of rate discounts for certain kinds of qualifying entities shall be created and funded through the CHCF-B fund. Nothing in this rule precludes a carrier from offering a larger discount than what is provided for in this rule.
- B. Qualifying schools and libraries shall be entitled to a discounted rate for measured business service, switched 56, Integrated Services Digital Network (ISDN) service, T-1 service, and DS-3, or their functional equivalents, and such other services that the Federal Communications Commission (FCC) may determine are appropriate.
  - (1) Only public or nonprofit schools providing elementary or secondary education, and which do not have endowments of more than \$50 million, shall qualify for the discounted rates for schools.
  - (2) Only those libraries that are eligible for participation in state-based plans for funds under Title III of the Library Services and Construction Act (20 USC §335c et seq.), shall qualify for the discounted rates for libraries.
  - (3) All carriers offering the services listed in subdivision B. above, shall provide in their tariffs that the rates for qualifying schools and libraries for such services shall be 25% below the rates charged to other businesses for those services with speeds up to 1.544 Mbps, and 20% below the rates charged to other businesses for those services with speeds greater than 1.544 Mbps, up to 44.736 Mbps.
  - (4) There is no limit on the number of subsidized lines that a school or library can have.
- C. Qualifying community based organizations (CBOs) shall be entitled to a discounted rate for switched 56, ISDN service, and T-1, or their functional equivalents.

- (1) Only a public or nonprofit organization offering health care, job training, job placement, or educational instruction, shall qualify for the discounted rates for CBOs.
  - (2) All carriers offering the services listed in this subdivision, shall provide in their tariffs that the rates for qualifying CBOs for such services shall be 25% below the rates charged to other business for those same services, or their functional equivalents.
  - (3) The CBO shall be limited to a total number of: two switched 56 lines; two ISDN lines; one switched 56 line and one ISDN line; or one T-1 line.
- D. Carriers who provide the above-referenced entities with those discounted services shall receive a subsidy for each qualified entity that it serves. The subsidy amount shall be the difference between the tariffed rate for businesses for such services, and the tariffed discount rate.

9. CONSUMER INFORMATION RULE

- A. The Commission shall compile an annual report that summarizes the complaint history of each certificated carrier. Such report shall be made available to the public.
- B. All LECs and CLCs must provide the applicable information contained in subsection C. below to residential consumers:  
(1) whenever any marketing information regarding telecommunications service offerings is mailed to residential customers; or (2) upon request by a consumer. The required consumer information must be on a separate sheet, and contain the following statement at the beginning: "The following information is required by the California Public Utilities Commission to allow comparisons with rates charged by other carriers for the same type of service."
- C. The required consumer information shall consist of the following:

"The following information is required by the California Public Utilities Commission to allow comparisons with rates charged by other carriers for the same type of service.

[NAME OF CARRIER]

1. LOCAL CALLS: [Name of Carrier] local calling area consists of any calls within a \_\_\_ mile radius of the rate center for your location.

<u>SERVICE</u>	<u>DESCRIPTION OF SERVICE</u>	<u>INSTALLATION FEE</u>	<u>COST PER MONTH</u>	<u>COST PER MINUTE</u>
Flat Rate Service	A set monthly rate for unlimited local calling in your local calling area.	\$ _____	\$ _____	N/A
Measured Rate Service	A reduced monthly rate plus per-minute charges for each local call above a minimum \$ _____ allowance.	\$ _____	\$ _____	After \$ _____ 1st min./each <u>addit. min.</u> Day: ___/ Evening: ___/ Night/ Weekend: ___/
Universal Lifeline Telephone Service	Low priced service for qualifying customers on a limited income.	\$10.00 Limited to 1 installation per year.		(ULTS)
o Flat Rate ULTS	Unlimited local calling		[Not to exceed \$5.62]	N/A
o Measured Rate ULTS	60 untimed local calls. After 60 calls, a per call charge of _____ cents.		[Not to exceed \$3.00]	After 60 calls: _____ cents

2. TOLL CALL/INTRALATA TOLL CALL: A toll call, or what is sometimes referred to as intraLATA toll call, consists of any call made beyond your local calling area, but within your Local Access Transport Area (LATA).

<u>SERVICE</u>	<u>DESCRIPTION OF SERVICE</u>	<u>INSTALLATION FEE</u>	<u>COST PER MONTH</u>	<u>COST PER MINUTE</u>
IntraLATA Toll Call	A call made beyond your local calling area, but within your LATA.	N/A	N/A	[carrier to describe rate structure by variables used such as time, distance, charge for first minute and each additional minute.] *

3. LONG DISTANCE CALLS/INTERLATA CALLS: A long distance call, or what is sometimes referred to as an interLATA call, consists of a call made outside your LATA.

<u>SERVICE</u>	<u>DESCRIPTION OF SERVICE</u>	<u>INSTALLATION FEE</u>	<u>COST PER MONTH</u>	<u>COST PER MINUTE</u>
InterLATA Toll Call	Calls made outside your LATA.	N/A	N/A	[carrier to describe rate structure by variables used such as time, distance, charge for first minute and each additional minute.] *

4. OTHER CHARGES:

<u>CHARGE</u>	<u>WHEN ASSESSED</u>	<u>AMOUNT</u>
Late Payment Charge	Payment not received by due date.	\$ _____
Returned Check Charge	Customer's check returned to the carrier from the bank.	\$ _____
Switching Fee	Charge for changing long distance carrier.	\$ _____
Reconnect Charge	Charge for reconnecting service after service has been terminated for late payment.	\$ _____

\*This informational brochure does not reflect the prices associated with the various kinds of discount calling plans that might be offered.

Price information current as of [month, date, and year]."

ATTACHMENT A

Calaveras Telephone Company  
California-Oregon Telephone Company  
Citizens Utilities Company of California  
Contel of California, Inc.  
CP National<sup>1</sup>  
Ducor Telephone Company  
Evans Telephone Company  
Foresthill Telephone Company  
GTE California Incorporated  
GTE West Coast Incorporated  
Happy Valley Telephone Company  
Hornitos Telephone Company  
Kerman Telephone Company  
Pacific Bell  
Pinnacles Telephone Company  
The Ponderosa Telephone Company  
Roseville Telephone Company  
Sierra Telephone Company, Inc.  
Siskiyou Telephone Company<sup>2</sup>  
Tuolumne Telephone Company  
The Volcano Telephone Company  
Winterhaven Telephone Company

(END OF APPENDIX B)

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<sup>1</sup> Now known as Citizens Telecommunications Company of the Golden State.

<sup>2</sup> Now known as Citizens Telecommunication Company of Tuolumne

Impact of Changes on Subsidy Amount (18.39)

Modification To CPM	Incremental Change In Subsidy (\$ Thousands)	Statewide Subsidy With Modification (\$ Thousands)	Percent Decrease	18.39 Per Susidized Line 4,517,673	Per Total Lines 12,712,267
Original	None	1,720,164			
Drop Correction	39,696	1,680,468	2.31%	\$0.73	\$0.26
Feeder and Pair Gain Utilization at Administrative Fill	90,720	1,629,444	5.27%	\$1.67	\$0.59
Fiber/Copper Feeder Cut Off at 12,000 feet	77,640	1,642,524	4.51%	\$1.43	\$0.51
Revised A&B Costs	46,062	1,674,102	2.68%	\$0.85	\$0.30
Approved Depreciation	245,064	1,475,100	14.25%	\$4.52	\$1.61
Switch Ordering	107,478	1,612,686	6.25%	\$1.98	\$0.70
Conduit Cost	95,195	1,624,969	5.53%	\$1.76	\$0.62
Cable Size	46,062	1,674,102	2.68%	\$0.85	\$0.30
Outside Plant Adjustment Elimination	33,779	1,686,385	1.96%	\$0.62	\$0.22
Non Recurring Burden Adjustment	41,556	1,678,608	2.42%	\$0.77	\$0.27
Rearrangements Adjustment	165,915	1,554,249	9.65%	\$3.06	\$1.09
Directory Assistance Adjustment	48,413	1,671,751	2.81%	\$0.89	\$0.32
Shared Cost	277,427	1,442,737	16.13%	\$5.12	\$1.82
Common Cost	138,235	1,581,929	8.04%	\$2.55	\$0.91
Only Price Cap LECs	54,445	1,665,719	3.17%	\$1.00	\$0.36
Cumulative Effect	1,394,658	325,506	87.65%		
Single Line Adjustment	56,964	268,542			

**Subsidy by Company**

Standard: Company	Benchmark Standard: \$18.39 Total Lines	Subsidized Lines	Subsidy per Line	Total Subsidy	Flat Rate + EUCL	Per Line Revenue CCLC	USF	Excess Rate	Offsets Excess Support	Offset	Subsidy After Offset
								18.39			
Citizens	59,926	46,431	16.82	9,371,633	21.35	4.90	10.84	2.96	18.70	10,419,116	(1,047,483)
Contel	278,198	229,513	13.34	36,740,497	20.35	4.90	1.98	1.96	8.84	24,346,776	12,393,721
GTEC	2,685,264	1,097,378	4.69	61,760,427	20.75	3.50	0.02	2.36	5.88	77,430,983	(15,670,556)
Pacific	9,620,458	2,303,299	5.73	158,374,807	14.75	1.27	-	0	-2.37	-	158,374,807
Roseville	68,421	50,459	3.79	2,294,897	14.30	3.50	2.47	0	1.88	1,138,366	1,156,531
<b>Total</b>	<b>12,712,267</b>	<b>3,727,080</b>		<b>268,542,260</b>						<b>113,335,241</b>	<b>155,207,019</b>

### Calculation of Surcharge First Lines Only

Cost Standard	Amount of Standard	Monthly Subsidy	Annual Subsidy	No. of Lines	Surcharge	Surcharge w/Offsets	Surcharge Schools and Libraries	Surcharge US Committee	Surcharge Total
Wide Average	\$18.39	22,378,522	\$268,542,260	3,727,080	2.19%	1.07%	0.16%	0.01%	1.24%

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APPENDIX F

(List of Appearances to follow.)