NOTICE OF REMOTE PUBLIC PARTICIPATION HEARING FOR THE COST OF CAPITAL APPLICATION (A.22-09-003) OF CALAVERAS TELEPHONE COMPANY, CAL-ORE TELEPHONE CO., DUCOR TELEPHONE COMPANY, FORESTHILL TELEPHONE CO., KERMAN TELEPHONE CO., PINNACLES TELEPHONE CO., THE PONDEROSA TELEPHONE CO., SIERRA TELEPHONE COMPANY, INC., THE SISKIYOU TELEPHONE COMPANY, AND VOLCANO TELEPHONE COMPANY (THE "INDEPENDENT SMALL LECS")

Wednesday, June 21, 2023, 5:00 p.m. Phone number: 800-857-1917 Passcode: 1765767# Webcast: https://adminmonitor.com/ca/cpuc

The California Public Utilities Commission (CPUC) wants to hear from you! A Public Participation Hearing (PPH) has been scheduled to hear your comments about the Independent Small LECs' request to adjust their cost of capital, but not their basic residential or business rates, as discussed below. A CPUC Administrative Law Judge (ALJ) will be presiding at this PPH to listen to concerns, comments, and opinions on the application. One or more Commissioners or their advisors may attend, but no decisions will be reached at this hearing. All public comments from this PPH will be included in the administrative record of this proceeding and become public record. The remote hearing location, date and time, and details on how to view and participate are listed above. Any customer may observe the remote PPH via the webcast information provided above. To participate and provide public comment, dial the toll-free telephone number and provide the passcode noted above. When it is time for public comment, an ALJ will make an announcement through the telephone line for those who wish to speak. Participants who wish to speak must then press "star one (*1)" to alert the operator, who will queue the speakers one-at-a-time and announce each speaker's name at the allotted time.

You may also submit written comments at any time directly to the CPUC's Public Advisor's Office (PAO) at the address noted at the bottom of this notice. You may also submit written comments by using the "Add Public Comment" button on the "Public Comment" tab of the Docket Card for A.22-09-003 at apps.cpuc.ca.gov/c/A2209003.

If you need a language or sign interpreter, or would like to request assisted listening devices, please contact the PAO at least five business days prior to the hearing. For more information on how you can participate, go to www.cpuc.ca.gov/PPH.

ABOUT THE APPLICATION

On September 1, 2022, the Independent Small LECs filed an application with the CPUC requesting an overall cost of capital of 13.2% for each of the Independent Small LECs. The application does not propose to change the prices for each carrier's basic residential or basic business rates.

In setting the carriers' cost of capital in this proceeding, the Commission will consider input from other parties, including the Public Advocates Office ("Cal Advocates"), who may propose cost of capital that is higher or lower than the Independent Small LECs' proposed cost of capital. Cal Advocates' proposal will be set forth in its testimony, which will be submitted on or before May 24, 2023. In resolving this proceeding, the Commission may adopt any party's proposal, or it could adopt a proposal of its own, which could involve cost of capital that is higher or lower than the cost of capital presented but should not change the prices for each carrier's basic residential or basic business rates.

The Independent Small LECs believe that their proposal is necessary to respond to the enhanced risk of the current rural telecommunications environment for the Independent Small LECs, to ensure the continued viability of investments in rural telecommunications infrastructure, and to provide proper incentives to maintain and upgrade broadband-capable facilities in rural areas to keep rural consumers on the right side of the "digital divide."

A public copy of Independent Small LECs' application and its related exhibits are available at the office of the CPUC at 505 Van Ness Avenue, San Francisco, California 94102. An electronic copy of the public application and its related exhibits may be examined on the Docket Card of the CPUC's website at apps.cpuc.ca.gov/p/A2209003.

CAL ADVOCATES' PARTICIPATION

Parties to the proceeding will review the Independent Small LECs' application, including Cal Advocates, which is an independent consumer advocate within the CPUC. For more information about Cal Advocates, please call 1-415-703-1584, e-mail address at publicadvocatesoffice@cpuc.ca.gov or visit Cal Advocates' website at publicadvocates.cpuc.ca.gov_

CPUC PROCESS

The assigned ALJ will determine how to receive evidence and other related documents necessary for the CPUC to establish a record upon which to base its decision. Remote evidentiary Hearings (EHs) will be held on August 14-18, 2023, where utilities, consumer advocacy groups, and other entities which have been given official status as "parties," will present their testimony and may be subject to cross-examination by other parties. The hearings and documents submitted in the proceeding become what the ALJ relies upon when writing a proposed decision to present to the Commissioners for their consideration.

After considering all proposals and all evidence presented during the formal hearing process, the assigned ALJ will issue a proposed decision determining whether to adopt the Independent Small LECs' request, modify it, or deny it. Any CPUC Commissioner may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted upon at a CPUC Voting Meeting.

STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at subscribecpuc.cpuc.ca.gov. The proceeding number is A.22-09-003.

If you would like to learn how you can participate in the proceeding, or if you have informal comments or questions about the CPUC processes, you may access the CPUC's PAO webpage at cpuc.ca.gov/pao. You may also contact the PAO as follows:

Write: CPUC Public Advisor's Office 505 Van Ness Avenue San Francisco, CA 94102
Email: <u>public.advisor@cpuc.ca.gov</u>
Phone: 1 (866) 849-8390 (toll free) or 1 (415) 703-2074 1 (866) 836-7825 (toll free) or TTY 1 (415) 703-5282

Please reference "The Independent Small LECs, Application No. A.22-09-003" in any communications you have with the Commission regarding this matter. All public comments will be part of the public correspondence file for this proceeding and available for review by the assigned ALJ, the Commissioners, and appropriate CPUC staff.