

NOTICE OF GENERAL RATE INCREASE

On December 26, 2007, Calaveras Telephone Company (Calaveras) filed Advice Letter 303 with the California Public Utilities Commission (CPUC). Small companies draw from the High Cost Fund to maintain reasonable local rates and to have the financial ability to continue to provide high quality service to their customers. Calaveras' year 2008 requested draw from the California High Cost Fund-A is \$649,122. In Advice Letter 303, Calaveras proposes a 425% increase, or an increase of \$2,755,822 to the draw for year 2009.

Calaveras proposes no changes in the basic rates. The CPUC asks that Calaveras increase certain rates and charges and Calaveras proposes the following increases to bring its prices more in line with the telecommunications industry.

<u>Description of Service</u>	<u>Present Charge</u>	<u>Proposed Charge</u>	<u>Proposed Increase</u>	<u>Percent Change</u>
Charges to change long distance carrier:				
Change just intrastate carrier	\$5.00	\$5.50	\$0.50	10%
Change both intrastate and interstate carrier	\$2.50	\$2.75	\$0.25	10%
Inside Wiring Maintenance Service Charges, Visit Charges, and Intrabuilding Network Charges:				
Normal Hours	\$45.00	\$75.00	\$30.00	67%
Overtime Hours	\$55.00	\$85.00	\$30.00	55%
Inside Wiring Monthly Maintenance Plans,				
Business	\$1.00	\$3.00	\$2.00	200%
Residence	\$0.60	\$1.00	\$.40	67%
Multi-Element Service Charges				
New Service Order	\$18.00	\$20.00	\$2.00	11%
Change Charge	\$8.00	\$9.00	\$1.00	13%
CO Charge	\$20.00	\$22.00	\$2.00	10%
Restoral Charge	\$25.00	\$27.00	\$2.00	8%
Payphone Premises Visit	\$85.25	\$95.00	\$9.75	11%
Late Payment Charge				
Applied if bill not paid on 21 days after date bill was mailed. On balance of \$20 or more.	0%	1.5%	1.5%	100%
Returned Check Charge:				
	\$10.00	\$20.00	\$10.00	100%
Local Directory Assistance:				
Each call over monthly allowance	\$0.25	\$0.50	\$0.25	100%
Plus: reduce the monthly allowances				
Residence 5 call allowances reduced to 0				
Business 2 call allowances reduced to 0				

The CPUC Communications Division staff will review Advice Letter 303 and may propose changes different than those proposed by Calaveras. The Commission will ultimately make the final decision regarding this filing.

The CPUC staff and Calaveras are planning to hold a public meeting, which will provide you the opportunity to express your views on this matter. We will notify you about the meeting date and location as soon as it is scheduled. A copy of Advice Letter 303 is available for viewing at the business office located at 513 Main Street, Copperopolis, CA, or at the CPUC at 505 Van Ness Avenue, San Francisco.

Anyone may object to the advice letter by sending a written protest to: Communications Advice Letter Coordinator, Communications Division, 505 Van Ness Ave., 3rd Floor, San Francisco, CA 94102-3298. The protest must state specifically the grounds on which it is based. The protest must be received by the Communications Advice Letter Coordinator no later than 20 days after the date that the advice letter was filed. On or before the day that the protest is sent to the Communications Advice Letter Coordinator, the protestant must send a copy of the protest to Kirby Smith at Kirby@caltel.com at Calaveras Telephone Company, P.O. Box 37, Copperopolis, CA 95228-0037. To obtain information about the Commission's procedures for advice letters and protests, go to the Commission's Internet site: www.cpuc.ca.gov and under Proceeding look for on-line documents and click on General Orders to view General Order 96-B. If you have any questions on procedural matters please contact the Public Advisors Office at 1.866.849.8390, 415.703.2074, or TTY at 1.866.836.7825, Monday thru Friday, 9 a.m. – 3 p.m., fax them at 1.415.703.2411, or write them at the California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102-3298 or e-mail: public.advisor@cpuc.ca.gov; and mention Advice Letter 303.

If you have any questions, please contact the business office at 1.800.253.2511 or 785.2211 for local calls.