California Teleconnect Fund Program

The California Teleconnect Fund (CTF) provides qualified organizations a 50% discount on Internet access and select Digital Transmission services, as well as a 25% discount on voice services offered by BCM One in California. However, please be advised that CTF discounts on voice services will be discontinued as of 7/1/2019 per California Public Utilities Commission (CPUC) Decision 19-04-013. For more on this change and general program information go to www.cpuc.ca.gov/ctf or contact CTFHelp@cpuc.ca.gov. The application of actual discounts may vary for CTF participants who are eligible for federal E-rate discounts or who receive federal rural healthcare discounts.

BCM One Services Eligible for CTF Discounts

Qualified organizations may receive applicable discounts on the BCM ONE services listed below:

| Wireline Services | |
|----------------------|---|
| Digital Transmission | MPLS/Dynamic MPLS, Switched Ethernet, Dedicated Internet Access/Managed Internet Access, Ethernet Private Line. |
| Internet Access | Business Fiber – High Speed Internet –Digital Subscriber Line (DSL) Fixed Wireless, Broadband, Fiber to the Internet, Dedicated Internet Access/Managed Internet Access. |
| Telephone Service* | IP Flex, Dynamic VOIP, UCAAS, Hosted VOIP, POTS Line, Local & Long-Distance, PRI, LD T1, Centrex, Enterprise Hosted VoIP Services, SIP/SIP Local & Long Distance Unlimited. |

^{*} Effective 7/1/2019 voice services will no longer be eligible for CTF discounts per CPUC Decision 19-04-013

^{**} Currently, only CTF participants who are also E-rate participants who have been approved by Universal Service Administrative Company (USAC) for the E-rate exception for wireless data as the most cost-effective method for interact access services can receive CTF discounts on mobile data services. Non-E-rate CTF participants are currently ineligible for CTF discounts on mobile data services.

Eligibility Criteria

CTF customers must qualify under one of the following categories:

Public or Nonprofit Schools: Public schools, nonprofit schools, and schools run by a religious order that are incorporated as a nonprofit Public Benefit Corporation or as a nonprofit Religious Corporation providing elementary or secondary education (grades K-12). Qualified schools may not have endowments of more than \$50 million.

Libraries: Libraries that are eligible for participation in state-based funding under the Library Services and Technology Act ("LSTA"). Eligibility for libraries is defined in Act 20 USCA Sec. 9122 (2 and 3), but need not be certified under LSTA for purposes of CTF.

Municipal, County Government or Hospital District Owned and Operated Hospital and Health Clinic: All hospitals and health clinics owned and operated by county, municipal government or hospital districts.

Community Based Organizations (CBOs): Tax exempt organizations offering health care, job training, job placement, educational instruction, or a non-profit CBO operating a community technology center engaged in diffusing technology into a local community, and training a local community that has limited or no access to the Internet and other technologies shall qualify for the discount rate for CBOs or a non profit CBO providing 2-1-1 information and referral services. A "tax exempt organization" shall refer to an organization described in Section 501 (c)(3) or 501 (d) of the Internal Revenue Code, Title 26 of the United States Code. CBOs must apply and obtain approval for each location. Certain certification rules apply to CBOs. Please refer to the CPUC web site (http://www.cpuc.ca.gov/ctf/?LangType=1033) for more information.

California Community Colleges: California community colleges and/or districts.

These discounted services may not be resold to, or shared with, any other non-qualifying organization or person.

Senate Bill 1102 – Statewide Average E-rate Discount

Pursuant to Senate Bill (SB) 1102, CTF Service Providers are required to apply the statewide average E-rate percentage (as instructed in the Telecommunications Division's Administrative Letter No. 10) before applying the CTF discount on eligible services, where applicable.

If you are a school or library and have not applied for E-rate, your CTF discounts may be impacted by SB1102. CTF service providers are required to apply the California statewide average E-rate percentage before calculating the CTF discount (this calculation only reduces the customer's eligible dollar amount considered for CTF discounts; it does not provide the customer an E-rate discount) on eligible services for public and private K-12 schools and public libraries.

The statewide average E-rate percentage is updated in July of each year. The statewide average can vary, based on the annual update. Go to CPUC website (http://www.cpuc.ca.gov/ctf/) for yearly statewide average E-rate percentages.

If you are a CTF approved entity that is not eligible for E-rate discounts, you will not be affected by SB 1102.

If you are a public school that meets the definition of a necessary small school (see California Education Code) and your school or district is not eligible for E-rate, you will not be affected by SB 1102. You must complete the SB1102 Verification of Necessary Small School form and email it to the applicable BCM One affiliate as shown on the form Instructions.

If you are a public or private school or public library, who is eligible to receive E-rate discounts, or a community-based organization who is eligible to receive E-rate discounts, but subscribe to telecommunications services that are ineligible for E-rate discounts, you will not be affected by SB 1102. You must complete the CTF Eligible/E-rate Ineligible Services Form and email it to the applicable BCM One affiliate as shown on the form instructions.

If you are a public or private school or public library, who is eligible to receive E-rate discounts, or a community-based organization who is eligible for E-rate discounts on all your telecommunications services eligible for CTF discounts, do not fill out the CTF Eligible/E-rate Ineligible Services Form mentioned above, as it is not applicable.

NOTE: CTF was established in 1996 by the California Public Utilities Commission (CPUC) and is solely funded by the California State Budget through an end-user surcharge on intrastate

telecommunications services. CTF discounts are contingent on funds appropriated and available under the State Budget. BCM One is not responsible for providing discounts in the instance where funding is exhausted, or the program is suspended by the CPUC.

California Teleconnect Fund Program Application Process

You must complete this two-step process to receive CTF discounts on eligible services:

Step 1: Submit Application to CPUC

All applicants must be approved by the CPUC to receive CTF discounts. The CPUC application can be found at the CPUC website. *NOTE: Your CPUC CTF Application must contain an original signature (not faxed or photocopied) for your request to be processed.

Once you review this information and ascertain that your organization qualifies for these discounts, please complete the CPUC CTF Service Discounts Certification Application ("Application") and remit to:

California Public Utilities Commission

Communications Division – CTF Program

505 Van Ness Avenue

San Francisco, CA 94102

NOTE: For additional information on the CTF Program, see CPUC website.

Step 2: CTF Discount Request Form to BCM One

Once you are approved as a qualified CTF-eligible organization, the CPUC will send an approval letter electronically to the e-mail address provided in the application. BCM One will request a copy of your approval letter and must be able to validate your approval via the CPUC website "List of Approved Applicants" in order to begin your monthly discounts. You may submit your CTF Request Form while your application is pending at the CPUC or following approval by the CPUC.

Please note that once you are approved by the CPUC, you must contact BCM One within 30 calendar days of approval to receive CTF discounts retroactive to the effective date of your approved application. If you contact BCM One after 30 calendar days, your CTF discounts will go into effect the date the completed request form is received by BCM One.

Contact your dedicated BCM One Account Manager to obtain the CTF Discount Request Form.

You may also email <u>regulatory@bcmone.com</u> for more information.