

Ms. Clover Sellden Sr. Regulatory Analyst California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94105

March 17, 2017

Dear Ms. Sellden,

The Staff White Paper titled *High Impact Areas for Broadband Availability* is a welcome step toward a rational and data-driven broadband development policy for California. With much appreciated due credit, it adapts a methodology that was developed by the Central Coast Broadband Consortium and used to set broadband development priorities in our region three years ago. The resulting clarity and consensus regarding priorities has focused our efforts and allowed us to reach significant and socially meaningful broadband development goals.

As the commission refines its methodology, we offer three recommendations:

1. **Be forward looking in assessing broadband development needs**. Adopting the 10 Mbps download/1 Mbps upload speed standard, as the draft White Paper in effect does, is a step backward for California, rather than a sorely needed leap forward. The technology and infrastructure required to deliver service at that level is inferior to that required to meet the CPUC's current minimum service level of 6 Mbps download/1.5 Mbps upload speeds. Likewise, eliminating areas from consideration that are partly served by fixed wireless service will leave hundreds of thousands of Californians with either no broadband access at all or service that has no standards of reliability, affordability or public safety to meet.

Instead, the commission should base its needs assessment on the availability of service that meets the federal 25 Mbps download/3 Mbps upload standard for advanced services and complies with the same kind of quality, reliability and integrity requirements that the commission mandates for other telecommunications service providers.

2. Assess social impact as well as economic feasibility. When the CCBC conducted its priority-setting exercise in 2014, we evaluated both the social impact and the economic feasibility of pursuing broadband infrastructure projects in the areas we assessed. The draft White Paper properly and cogently assesses economic feasibility, but does not consider social impact.

We recommend running, as we did, a separate social impact analysis based on population (as opposed to number of housing units or households), number of community anchor institutions, the proportion of the community that would be reached by CASF-funded projects, and median household income. The result would be two analytical tools that could be applied by policy makers, and that could be rolled up, as we did, into a single, unified ranking.

3. **Apply the results of the analysis on a prospective basis**. As of today, seven CASF broadband infrastructure grant proposals are pending and have been under review for an average of 435 days, 330 days past the deadline established by Decision 12-02-015 and reaffirmed by Resolution T-17443. Two major projects, Digital 299 and Gigafy Phelan, have been awaiting action for 586 days. These seven projects required hundreds of thousands of dollars and thousands of hours to prepare, and were submitted in reliance on good faith and the published criteria for such grants, as established by the commission.

The delays and inconsistencies in the review and approval of CASF infrastructure projects has made it very difficult to find capable, reputable and financially able private sector partners. If the commission breaks faith with applicants and applies any new project criteria or priorities retroactively, it will make such recruitment impossible.

Thank you very much for the opportunity to comment on the White Paper and for the diligent and substantial work that went into it.

Sincerely,

Joel Staker

Chair.

Central Coast Broadband Consortium Information Technology Director,

City of Carmel-by-the-Sea

Stephen Blum

Executive Team.

Central Coast Broadband Consortium

President,

Tellus Venture Associates