

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Consider |
Modifications to the California Advanced |
Services Fund. |

Rulemaking No. 12-10-012

**COMMENTS OF THE CENTRAL COAST BROADBAND CONSORTIUM
ON PHASE I STAFF PROPOSAL**

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16 March 2018

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Per California Public Utilities Commission (CPUC) Resolution T-17529, the Central Coast Broadband Consortium (CCBC) is the California Advanced Services Fund (CASF) consortia grant recipient representing Monterey, San Benito and Santa Cruz Counties. The CCBC is a party to Rulemaking 12-10-012 and respectfully submits these comments regarding the Staff Proposal for Phase 1 of the above proceeding, as attached to the Amended Scoping Memo and Ruling of Assigned Commissioner dated 14 February 2018 as Appendix B, (Phase 1 Proposal).

I. The proposed eligibility parameters for the Broadband Adoption Account program are equitable.

The CCBC conducted a region-wide public comment and review process in 2014 to identify priority areas for broadband development purposes. That process produced a methodology that included household income, broadband access and demographic data as selection criteria, for the purposes of determining the social impact of broadband development efforts. The income, socioeconomic and broadband access criteria contained in the Phase 1 Proposal are consistent with the methodology adopted by the CCBC's regional review process and, in fact, rely on more detailed data. It is a sound and equitable approach.

II. Grants for digital literacy and broadband access programs should be awarded and assessed on the basis of measurable results.

The CCBC suggests measuring results on a standardized basis, establishing minimum performance requirements relative to these quantitative results and providing payments to grantee on a reimbursement basis only after verification that these requirements have been met.

For digital literacy programs, the CCBC suggests establishing a standardized graduation test and setting a minimum graduation rate requirement. Priority should be given to programs that maximize the total number of people reached and the number of people trained to provide further digital literacy training within their communities.

For broadband access programs, the CCBC suggests setting a minimum broadband adoption rate and requiring verification that this rate has been attained among program participants.

“Adoption” is a marketing metric, and is properly defined by the CPUC’s broadband mapping program. It measures the proportion of households that purchase or otherwise obtain an available service, in this case broadband Internet access service. Programs that expand broadband access for the purposes of increasing broadband adoption should be evaluated on whether or not the intended purpose has been achieved, and not merely on the basis of program activities.

Broadband adoption results may be measured and evaluated on the basis of community-wide adoption rates, as reported to the CPUC, if such reports are sufficient for the purpose. Otherwise, broadband access programs should be required to include an adoption tracking element for participants and report the results obtained on a verifiable basis.

III. Minimum standards for funded broadband facilities in publicly supported communities (PSCs) should be no less than the standards for other CASF-funded infrastructure.

Californians who live in PSCs have the same needs as Californians living elsewhere.

Assembly Bill 1665 set a minimum of 10 Mbps download and 1 Mbps upload speeds for CASF-funded infrastructure projects. This level of service is below the 25 Mbps download/3 Mbps upload advanced services standard established by the Federal Communications Commission, adopted by the U.S. Department of Agriculture for its broadband funding programs, and contemplated by the U.S. Department of Housing and Urban Development for its PSC broadband program. The CCBC recommends establishing the minimum speed standard for PSC facilities at the same 10 Mbps down/1 Mbps up level that is required for other CASF-funded infrastructure projects, and establishing a priority for projects that meet the 25 Mbps down/3 Mbps up standard. This priority might bring with it a higher percentage of funding. For example, a project that meets the 25 Mbps down/3 Mbps up standard might receive 100% funding, while a project that only meets the 10 Mbps down/1 Mbps standard receives 60% funding.

IV. The proposal for the Broadband Revolving Loan Account is fair, but disposition of pending applications should not be contingent on completion of this proceeding.

The CCBC agrees that the two pending loan requests should be converted into allowable, additional grant requests, but respectfully points out that it is not necessary to pursue this limited and worthy objective in this instant, larger proceeding. The commission may approve exceptions to the current CASF infrastructure program rules through specific grant resolutions, as it has

done in the past. It should do so in the case of the two loan requests, one of which has been pending for two and a half years, in an expedited manner.

V. Conclusion.

The CCBC respectfully requests that the Phase 1 Proposal be modified as recommended herein and swiftly approved.

Date: 16 March 2018

Respectfully Submitted,

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/s/ Stephen A. Blum

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