

**BEFORE THE
CALIFORNIA PUBLIC UTILITIES COMMISSION**

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

Rulemaking No. 12-10-012
(Filed October 25, 2012)

**REPLY COMMENTS OF CALIFORNIA INTERNET, L.P. (U-7326-C) DBA GEOLINKS
ON PROPOSED DECISION OF COMMISSIONER GUZMAN ACEVES
IMPLEMENTING THE CALIFORNIA ADVANCED SERVICES FUND
INFRASTRUCTURE ACCOUNT REVISED RULES**

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California Internet, L.P. (U-7326-C) dba GeoLinks (“GeoLinks” or the “Company”) respectfully submits these reply comments in response to comments filed on the on the Proposed Decision of Commissioner Guzman Aceves, entitled “Decision Implementing the California Advanced Services Fund Infrastructure Account Revised Rules” (“Phase II PD”), released on November 9, 2018.

In its Opening Comments, GeoLinks focused on one section of the Phase II PD regarding the proposed Ministerial Review process (Section 2.3). Specifically, GeoLinks asserted that the Commission’s retention of differing per-household cost thresholds for different technology types is in direct opposition to the Commission’s goal of administering the CASF program on a “technology neutral” basis and should be rejected.¹ This view that the proposed process is not technology neutral is shared by several commenters.

Foremost, the California Emerging Technology Fund (“CETF”) explains that it “does not see any rationale whatsoever supporting a PD decision to limit the Ministerial Review costs per

¹ *Interim Opinion Implementing California Advanced Services Fund*, Decision 07-12-054 (rel. December 20, 2007), at 8: “The CASF shall be administered on a technology neutral basis by the Commission.” *See also Id.* at 28: “CASF funding proposals will be reviewed based upon how well they meet the criteria for selection as set forth below, and, where applicable, compared with any competing claims to match the deployment offer under superior terms. *Such criteria should be evaluated on a competitively neutral basis.*” (*Emphasis added*). *See also* P.U. Code Section 28(f)(1).

household to \$6000 for fiber projects and \$1500 for fixed wireless projects,” noting that this disparity seems “very extreme for a program that should be technology neutral.”² The California Cable and Telecommunications Association explains the PD “is in clear violation of the technology-neutral requirements in Section 281(f)(1) [of the P.U. Code],” and notes that the PD’s attempt to “rebut this failure by asserting that it ‘may still award grants to fixed wireless project that fall outside these cost criteria, but it must be done through the resolution process’ ...does not make sense and fails to justify the impermissible discrimination against all other technologies.”³ Further, Frontier explains that the process “does not represent a technology neutral solution” and “should be revised to ensure inclusivity of all technological upgrades.”⁴ GeoLinks agrees with all of these assertions.

The Public Advocates Office (“Cal Advocates”) points out the lack of neutrality in the process, explaining that P.U. Code Section 281 requires the commission to “award grants from the Broadband Infrastructure Grant Account on a technology-neutral basis, including both wireline and wireless technology.”⁵ However, contrary to this notion, Cal Advocates proposes differing thresholds for two additional technology types not contemplated by the PD (DSL and coaxial cable).⁶ While GeoLinks agrees with Cal Advocates that the PD must adhere to the requirements of P.U. Code 281(f)(1) and that other technology types should be allowed to participate in the Ministerial Review process, GeoLinks disagrees that each technology type should have its own per-household dollar threshold.

² Opening Comments of California Emerging Technology Fund at 4. Like GeoLinks, CETF references the CASF Annual Report for 2016, noting that the average fiber-to-the-home cost is \$9,267/household. Similar to GeoLinks, CETF discusses the disconnection between the findings of the Report and the per-household fiber threshold of \$6000 proposed in the PD and suggests a more “realistic” number.

³ Opening Comments of the Cable and Telecommunications Association at 11 - 12.

⁴ Opening Comments of Citizens Telecommunications Company of California, Inc., Frontier Communications of the Southwest Inc., and Frontier California Inc. at 4.

⁵ Opening Comments of the Public Advocates Office at 4.

⁶ *Id.*

GeoLinks maintains that creating separate thresholds for separate technologies that offer essentially the same service is not technology-neutral and, as such, is bad public policy. GeoLinks continues to urge the Commission to adopt one per-household cost threshold for the Ministerial Process that is applicable to all technology types.

Respectfully submitted,

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