

November 21, 2019

James W. McTarnaghan  
JMcTarnaghan@perkinscoie.com  
D. +1.415.344.7007  
F. +1.415.344.7207

**VIA EMAIL AND U.S. MAIL**

Cynthia Walker  
Director, Communications Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102-3298

**Re: Comments of Charter Communications Operating, LLC  
on Draft Resolution T-17680**

Dear Ms. Walker:

Pursuant to Rule 14.5 of the Commission's Rules of Practice and Procedure, Charter Communications Operating, LLC ("Charter") submits the following comments regarding Draft Resolution T-17680 ("Resolution"). Charter's comments; (a) identify several minor technical errors in the text of the Resolution which should be corrected; and (b) support Charter's request that the Commission grant a greater percentage of the funding requested for the Highland Orchid Drive Project.

**Correcting Minor Technical Errors**

Charter has identified several technical errors in the text of the Resolution. These errors and Charter's proposed revisions are summarized below and set forth in Appendix A redline of the Resolution attached hereto as Appendix 1. Charter has discussed these technical errors informally with Communications Division and believes that Staff is in agreement that these are errors in the Draft Resolution which should be corrected. In general, these changes conform the text, tables and Appendix in the Draft Resolution to the Ordering Paragraphs.

First, the second paragraph of the Resolution's "Summary" should indicate that the Commission *grants*, not rejects, Charter's requests for a waiver of the requirement that installation and connection charges be waived for a two-year period after completion of the projects. This proposed revision is consistent with Resolution ordering paragraph 5, pursuant to which "[t]he Commission grants Charter's request for waiver of the requirement [that] customer installation charges be waived for a two-year period, and approves Charter's proposal to limit the installation charges waiver to the first three months following completion of construction."<sup>1</sup> This is also consistent with a discussion on the issues in the draft Resolution at pp. 6-7.

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<sup>1</sup> Draft Resolution T-17680, at p. 15-16.

Second, several of the figures in Table 5 inaccurately reflect either the funding amount requested by Charter or the Commission staff’s funding recommendations as set forth elsewhere in the Resolution. Table 5 should be revised to read as follows:<sup>2</sup>

**Table 5: Summary of Funding for Charter’s Proposed Projects**

<b>Project</b>	<b>Funding Requested</b>	<b>Staff Recommendation</b>
Country Squire Mobile Home Park	\$267,943.21	\$267,943.21
Highland Orchid Drive	\$246,480.95	\$197,184.76
Silver Wheel Ranch Mobile Home Park	\$912,047.00	\$912,047.00
<b>Total</b>	\$1,426,471.16	<b>\$1,377,174.97</b>

Finally, Appendix A to the Resolution should reflect the Commission’s intent to grant 100 percent of the requested funding for both the Country Squire Mobile Home Park and Silver Wheel Mobile Home Park projects. Appendix A currently states the Commission will grant just 80 percent of Charter’s funding request for these projects, which is contrary to Resolution ordering paragraphs 1 and 3, and other parts of the Resolution.

For Country Squire, the relevant row of Appendix A should read as follows:

<i>CASF Grant Amount (100 percent)</i>	\$267,943.21
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For Silver Wheel, the relevant row of Appendix A should read as follows:

<i>CASF Grant Amount (100 percent)</i>	\$912,047.00
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<sup>2</sup> Please note that Table 5 would require further revision should the Commission grant Charter a greater percentage of the requested funding for the Highland Orchid Drive Project. Ordering paragraph 2, along with any other reference to the funding award for the Highland project or total funding award, would also require revision.

### **Funding Amount for Highland Orchid Drive Project**

The Resolution as drafted grants 80 percent of Charter’s \$246,480.95 funding request for the Highland Orchid Drive Project. Charter believes this project warrants additional credit in two funding criteria, which would bring total funding for the project to the full 100% level.

Service Level Preference. Charter believes some credit is warranted under the Service Level Preference funding criterion, which concerns the existing level of internet connectivity in the project area. While the Highland project area (consisting of the single census block 060710074045007) is unserved by wireline broadband service, the area does have limited internet access through mobile data service. On this basis, the Commission concluded the project warranted zero percent of a possible 40 percent funding credit under this criterion.

Charter agrees with the Commission that mobile service can qualify as “internet connectivity.” The Resolution suggests, however, that any level of mobile service may disqualify a CASF project from funding under the Service Level Preference criterion. The Commission would be announcing this policy for the first time with the Resolution, as this result is not dictated by Public Utilities Code § 208(b)(2)(B)(i), which merely directs the Commission to *give preference* to areas without connectivity. Nor is it dictated by the Commission’s CASF program rules, which do not discuss mobile service in relationship to the funding criteria.

Charter stresses that the Highland project area is effectively unserved by mobile data service for the purposes of the CASF program. While neither the Public Utilities Code nor the Commission’s CASF rules specify what level of mobile service will be considered slow or no service, a census block is considered “unserved” for CASF purposes where no provider offers fixed facility-based broadband service at speeds of at least 6 Mbps downstream and 1 Mbps upstream.<sup>3</sup> The mobile services available to customers in the Highland project area hover around this “unserved” threshold:<sup>4</sup>

Mobile Provider (LTE)	Mbps Down	Mbps Up
Verizon Wireless	5	2
T-Mobile	7	4
Sprint	4	1
AT&T Mobility	8.2	2.4
<i>Average</i>	<i>6.1</i>	<i>2.4</i>

<sup>3</sup> Pub. Util. Code section 281(b)(1)(B).

<sup>4</sup> CPUC Interactive Broadband Map: <http://www.broadbandmap.ca.gov/>

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By comparison, Charter's Highland project would extend service with speeds up to 940 Mbps download and 35 Mbps upload. Charter's proposal far exceeds the 10/1 Mbps threshold for an eligible project, yet the Commission withholds credit based on existing services which average 6.1 Mbps down and 2.4 Mbps up. Charter encourages the Commission to grant its Highland Project some credit under the Service Level Preference criterion in recognition of the vast improvement in service Charter proposes. Charter believes the full 40 percent credit is warranted based on the extent of service improvement proposed.<sup>5</sup>

Use of Existing Infrastructure. Per Public Utilities Code section 281(f)(13), the Commission may consider "the existence of communication facilities that may be upgraded to deploy broadband" in awarding a CASF grant. The CASF rules specify that such use of existing infrastructure may warrant a credit up to 10 percent of a project grant.<sup>6</sup>

Charter's CASF application for the Highland project specifies that "[t]he project will connect to existing Charter nearby infrastructure thus avoiding additional costs for infrastructure outside of the project area."<sup>7</sup> Charter has an existing trunk amplifier at the intersection of Branford and Highland avenues, making that location an ideal tie point for the new coaxial line for the Highland project.<sup>8</sup> The project would also upgrade existing equipment at Charter's San Bernardino Hub to create the new network segment to serve the project area.

Based on its utilization of existing infrastructure, Charter is equipped to serve the project area more cost effectively than any other service provider. This cost efficiency satisfies the purpose of the relevant funding criterion and warrants a 10 percent funding credit for use of existing infrastructure.

Sincerely,



James W. McTarnaghan

cc: Phil Enis, CPUC Communications Division (via email)  
Dorris Chow, CPUC Communications Division (via email)  
CASF Distribution List (via email)

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<sup>5</sup> The Resolution currently applies the CASF funding criteria to grant 80 percent of Charter's requested funding for the Highland project. In requesting a 40 percent credit under the Service Level Preference criterion, Charter acknowledges that the maximum funding level for any CASF project is 100 percent. D.18-12-018, Appendix 1, Section 2.2.

<sup>6</sup> D.18-12-018, Appendix 1, Section 2.2, Summary of Funding Criteria.

<sup>7</sup> Charter CASF Application for the 3800 Block of Orchid Drive, Highland, CA 92346, p. 4.

<sup>8</sup> *Id.* at 3.

**APPENDIX A**

**Proposed Revisions to Draft Resolution T-17680**

Pursuant to the Notice of Availability (November 1, 2019) regarding Draft Resolution T-17680, Charter Communications Operating, LLC (“Charter”) is supplementing its comment letter with this appendix setting forth Charter’s proposed revisions to the Resolution.

Correcting Minor Technical Errors

*Proposed revision to the second paragraph of the Summary (p.1):*

This Resolution grants Charter’s requests for waivers of the two-year pricing requirement, ~~but rejects~~as well as Charter’s requests for waivers of the requirement that a waiver of installation and connection charges be waived for a two-year period after completion of the projects. Moreover, the funding approval is contingent upon Charter obtaining approval from the owners of the Country Squire Mobile Home Park and the Silver Wheel Ranch Mobile Home Park to build broadband infrastructure on their property.

*Proposed revision to Table 5 (p.7):*

<b>Project</b>	<b>Funding Requested</b>	<b>Staff Recommendation</b>
Country Squire Mobile Home Park	\$ <del>267,943.21</del> <u>246,480.95</u>	\$ <del>267,943.21</del> <u>214,354.57</u>
Highland Orchid Drive	\$ <del>246,480.95</del> <u>267,943.21</u>	\$197,184.76
Silver Wheel Ranch Mobile Home Park	\$912,047.00	\$ <del>912,047.00</del> <u>267,943.21</u>
<b>Total</b>	\$1,426,471.16	<b>\$1,377,174.97</b>

*Proposed revisions to Resolution T-17680 Appendix A*

<i>Project Name</i>	<b>Country Squire Mobile Home Park Project</b>
...	...
<i>CASF Grant Amount (100<del>80</del> percent)</i>	\$ <del>267,943.21</del> <u>214,354.57</u>

<i>Project Name</i>	<b>Silver Wheel Mobile Home Park Project</b>
...	...
<i>CASF Grant Amount (<del>100.80</del> percent)</i>	\$ <del>912,047.00</del> <sup>729,637.60</sup>

Funding Amount for Highland Orchid Drive Project

*If the Commission agrees with Charter that 100 percent of Charter’s \$246,480.95 funding request for the Highland Orchid Drive Project is warranted, Draft Resolution T-17680 will require the following revisions:*

<b>Section (page)</b>	<b>Revision</b>
Summary (p.1)	Update total funding amount to \$1,426,471.16
Footnote 1 (p.1)	Update funding award for Highland Orchid Drive Project to \$246,480.95.
Table 2 (p.4)	Update Staff Funding Recommendation for Highland Orchid Drive to \$246,480.95.
Table 5 (p.7)	Update Staff Funding Recommendation for Highland Orchid Drive to \$246,480.95, and total Staff Recommendation to \$1,426,471.16.
III. Funding Determination (p.8)	Update total Staff funding recommendation to \$1,426,471.16.
Table 6 (p.8)	Update to reflect credit for Highland Orchid Drive Project under Service Level Preference criterion and/or Use of Existing Infrastructure criterion.  Update total funding level for Highland Project to 100%.
Finding ¶ 4	Update to reflect Staff determination of eligibility to receive 100 percent of requested funding for Highland Orchid Drive Project.  Update Staff recommended approval of total funding in combined amount of \$1,426,471.16.
Ordering ¶ 2.	Update to reflect Commission award of \$246,480.95 to Charter for the Highland Orchid Drive Project.

Appendix A (A-2)	Update summary table for Highland Orchid Drive Project to reflect CASF Grant Amount (100 Percent) of \$246,480.95.  Update Recommended Grant per household passed to \$2,143.65.
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