

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



Date: November 19, 2020

To: California Service Providers

This letter is to inform you that the California Public Utilities Commission is considering a proposal to make state funding available as supplemental funding for RDOF Auction 904 awardees. This funding would come from the California Advanced Services Fund and be awarded following the Federal Communications Commission's RDOF award announcements. The CPUC released a staff proposal on October 1, 2020, and the Communications Division published specific support amounts on October 27, 2020, on the commission's website.

Planned revisions to the earlier proposal will specify that:

- 10% of the reserve price is budgeted and will be available as "kicker funding" for the specific support amounts and census block groups published on October 27, 2020 to provide greater certainty about the availability of the specified amounts for the identified census block groups. [www.cpuc.ca.gov/broadbandfederalfunding/](http://www.cpuc.ca.gov/broadbandfederalfunding/)
- Up to 30% of the reserve can be requested as "kicker funding" for all RDOF census block groups. This is an increase from the staff proposal of up to 20% kicker for specific blocks for applicants that meet the additional criteria.
- Staff is authorized to complete a Memorandum of Understanding with IBank (California Infrastructure and Development Bank) for service providers to use kicker funds to finance letter of credit requirements.

The proposal will be that a service provider must meet the following criteria for each level of kicker funds:

Level 1, 10%:

1. Gigabit capable infrastructure +
2. Meaningful Tribal consultation +
3. Open access in the last mile or non-discriminatory access in middle mile +
4. Provide California LifeLine

Level 2, 10%:

1. Level 1 +
2. Low income plan for 10 years (the term of RDOF support) +
3. Long term no-cost Indefeasible Rights of Use for Tribes in the area **OR**
4. Designation as a Carrier of Last Resort

Level 2 Plus, 10%:

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1. Levels 1 and 2 +
2. Eligible publicly entity, including a Joint Powers Authority or affiliated non-profit +
3. Outside (non-CASF, non-RDOF) financing equal to at least twice the requested kicker amount.

Staff proposes prioritizing kicker funding requests. And if kicker funding requests exceed available funding (i.e., for requests more than the published amounts for specific blocks) then “kicker funding” requests would be prioritized by factors. Factors include difficulty to serve (as measured by density); low-income areas; service or benefit to Tribes, and others. The order in which staff will evaluate requests for funding is: 1) May 4 CASF Applications requesting kicker; 2) kicker requests; 3) May 4 CASF Applications without kicker requests.

I am sending this letter for informational purposes only. The rules and associated funding will not be official unless and until they are adopted by the Commission. Currently, we are planning to release this information in early December for a Commission vote not sooner than January 14, 2021.

Sincerely,

//s

Robert Osborn  
Director, Communications Division