

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

Order Instituting Rulemaking to Consider )	
Modifications to the California Advanced )	Rulemaking No. 12-10-012
<u>Services Fund.</u> )	(Filed October 25, 2012)

**COMMENTS OF RACE TELECOMMUNICATIONS, INC. (U-7060-C)  
ON QUESTION 1 COVID-19 ON ACR REQUESTING  
COMMENT ON BROADBAND INFRASTRUCTURE RULES  
AND APPLICATION WINDOWS**

Raul Alcaraz  
President & CEO  
Race Telecommunications, Inc.  
1325 Howard Avenue, #604  
Burlingame, CA 94010  
[raul@race.com](mailto:raul@race.com)  
Tel. (415) 994-9400

Rachelle Chong  
Special Counsel to CETF  
Law Offices of Rachelle Chong  
345 West Portal Avenue, Suite 110  
San Francisco, California 94127  
Tel. (415) 735-0378  
[rachelle@chonglaw.net](mailto:rachelle@chonglaw.net)

April 9, 2020

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

Order Instituting Rulemaking to Consider )	
Modifications to the California Advanced )	Rulemaking No. 12-10-012
<u>Services Fund.</u> )	(Filed October 25, 2012)

**COMMENTS OF RACE TELECOMMUNICATIONS, INC. (U-7060-C)  
ON QUESTION 1 COVID-19 ON ACR REQUESTING  
COMMENT ON BROADBAND INFRASTRUCTURE RULES  
AND APPLICATION WINDOWS**

Pursuant to Rule 6.2 of the Commission’s Rules of Practice and Procedure, Race Telecommunications, Inc. (U-7060-C) (“Race”) hereby files timely comments on Question 1 on the “Assigned Commissioner Ruling Requesting Comments on Broadband Infrastructure Rules and Application Windows,” issued March 26, 2020 (“ACR”). In an email ruling of Assigned Administrative Law Judge Stevens issued on March 26, 2020, he extended the schedule for filing these opening comments to and through April 9, 2020, with reply comments to and through April 15, 2020. As background, Race holds the most California Advanced Service Fund (CASF) Infrastructure grants in the state: Mojave Air and Spaceport, Gigafy High Desert, Gigafy Boron, Gigafy Backus, Mono County (four areas), Gigafy Mono, Gigafy North 395, Gigafy Occidental, Five Mining Communities, and Gigafy Phelan. All but Phelan is complete, with all homes passed. Race is an experienced, responsible and enthusiastic CASF grantee, committed to bridging the Digital Divide for low-income and disadvantaged communities in our state.

First, Race fully supports the moving of the April 1, 2020 deadline for CASF applications until May 4, 2020, due to the COVID-19 emergency. Race recommends there be a second

CASF Infrastructure filing window in late Summer/early Fall 2020, given that many Internet service providers are extremely busy right now due to various demands relating to COVID-19 pandemic. Many potential applicants may not be able to focus in the current timeframe on CASF infrastructure applications. Also, a second filing window in late Summer/early Fall will be after the July 1 Connect America Fund II (“CAF II”) deadline, so that potential applicants will have more information on where the CAF II providers actually built out.

Second, Race responds to Question 1 on possible CASF actions to consider in response to COVID-19.

**Question 1: In the context of the CASF, what can and should the Commission do in response to COVID-19? For example, should the Commission:**

- **begin awarding Adoption grants on a rolling basis?**
- **increase the amount of up-front funding for Adoptions grantees to improve the ability of grantees to increase broadband adoption?**
- **expeditiously make hotspots available through the Adoption account?**
- **make changes to the tasks assigned to staff?**

Race welcomes the opportunity to propose an urgent CASF infrastructure project to the Commission in response to the COVID-19 emergency in all its built out service areas.<sup>1</sup> We are proposing this in a generic manner here and if we get the go-ahead from the Commission and/or the CASF Staff, Race would prepare a detailed applications for each project, with a budget, and identifying our educational partners. We expect these educational partners to be K-12 school districts, community colleges or higher education institutions (colleges or universities) in our existing service areas.

---

<sup>1</sup> Race only has half of Phelan built out and would only propose the Gigafy Schoolkid project in the built out areas. Also Race’s subsidiary Bright Fiber Network, Inc. still has its Nevada City project under construction and it is not ready for this project.

We call this project Gigafy SchoolKids. The problem is that due to the COVID-19 emergency, shelter-in-place (SIP) orders have been issued throughout California confining families with school children and college students to their homes in order to reduce coronavirus infections. School districts, community colleges and colleges had no choice but to terminate in-person instruction at the schools as a result. Many educational institutions are attempting to continue online instruction for students, but not all students have adequate broadband access to support educational connectivity, which typically require video and audio streaming. These unconnected students may have no broadband connectivity for two main reasons:

1. Lack of broadband infrastructure adequate for educational needs, and
2. Inability of their family to afford broadband.

Race has been contacted by various K-12 school districts in its completed service areas, and they are urgently requesting that Race assist them in connecting students who are unconnected at home in order to facilitate online education. Race would like to assist in this emergency and hereby proposes its Gigafy Schoolkids project in concept. There are two aspects to the Gigafy Schoolkids project:

Infrastructure Proposal. Race proposes to partner with any interested school district, community college, or institution of higher learning (Educational Entity) in its completed service areas to assist with the connecting of students whose homes lack any wireline broadband infrastructure service at 10 Mbps download and 1 Mbps upload speeds (“CASF Minimum Speed”). The only eligible households would be those where Race already passes the house with its infrastructure, and just needs to provide the home installation from its facilities on the pole in front of the house into the house.

Race would require the Educational Entity to identify the student households where there is no broadband service. Race would confirm the lack of broadband infrastructure meeting the CASF Minimum Speed, and that this is not an existing Race customer. Race would then connect these school households as quickly as possible, attempting to accomplish connection within a month of the grant. Race would seek a CASF Infrastructure Fund disbursement at \$1,800/household to perform the home installation. This Gigafy Schoolkids Infrastructure plan would be scheduled to terminate in Fall 2020, contingent of COVID-19 updates.

Further, Race is open to proposals of working with K-12 Schools, Libraries and non-profit community organizations to bring connectivity for WiFi hotspots to community spaces with adequate social distancing for educational purposes. We would seek reimbursement of our infrastructure costs to enable this quickly, in partnership with such entities.

As an essential critical infrastructure business, Race is feeling the impacts of the COVID-19 restrictions on our personnel and operations, thus a 50% upfront project payment would be a critical factor to enabling any of these infrastructure projects. Race would need to hire additional personnel and lease additional equipment, in order to meet the emergency needs of the community.

Adoption Proposal. In addition to the infrastructure piece, Race proposes to apply for a grant from the Adoption Account and would require waivers for this piece of Gigafy Schoolkids. For these new Race customers taking advantage of this Infrastructure program for educational needs, Race would provide three free months of Race's Gigafy Me rate plan which consist of symmetrical gigabit speed (1,000 Mbps.) broadband service with unlimited data (a \$60/month retail value) and a free router (a \$10/month value) which provides Wi-Fi for the entire

household. Race would seek a grant from the CASF Adoption fund for \$210/new customer to cover this service for the three-month period.

After the first three months, Race would begin charging the customer at the normal residential Basic Broadband retail rates: \$25/month for symmetrical 25 Mbps. speeds with unlimited data and \$10/month for a router. Alternatively, the customer could also choose to take the retail Gigafy Me service plan: \$60/month for gigabit speed (symmetrical 1,000 Mbps.) with unlimited data and \$10/month for the router.

For Gigafy Schoolkid households that cannot afford the \$25/month Basic Broadband rate plan and router and that are designated by the Educational Entity as low-income or disadvantaged (using whatever reasonable eligibility criteria that the Educational Entity chooses), Race would introduce and offer such low-income/disadvantaged households a new limited time retail Gigafy Schooltime plan: \$15/month for symmetrical 25 Mbps speed with unlimited data and a free router. Race would request a CASF Adoption grant for each low-income/disadvantaged school household of \$20/month, in order to provide the discounted retail rate plan and free router for continuing adoption purposes. This Gigafy Schooltime plan is only for new Race customers connected through the Gigafy Schoolkids program and not for existing Race customers. Race believes a waiver of the usual Adoption fund rules is appropriate, because there will be a verified adoption that would not have otherwise occurred, plus it is serving a key educational purpose during a major health emergency. The Gigafy Schooltime plan would be scheduled to end in Fall 2020, contingent on COVID-19 updates.

Race looks forward to discussing this innovative idea with the Commission's Communications Division staff. We sincerely hope that the COVID-19 emergency will bring

flexibility in approach, quick approval, and flexible upfront funding as we seek to meet the significant challenges of this emergency.

WHEREFORE, Race respectfully requests that this Commission consider its urgent proposal for a COVID-19 plan for school households lacking broadband.

*/s/ Raul Alcaraz*

Raul Alcaraz  
President & CEO  
Race Telecommunications, Inc.  
1325 Howard Avenue, #604  
Burlingame, CA 94010  
[raul@race.com](mailto:raul@race.com)  
Tel. (415) 994-9400

*/s/ Rachelle Chong*

Rachelle Chong  
Outside Counsel to Race Telecommunications, Inc.  
Law Offices of Rachelle Chong  
345 West Portal Avenue, Suite 110  
San Francisco, California 94127  
[rachelle@chonglaw.net](mailto:rachelle@chonglaw.net)

↓

April 9, 2020