

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

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

RULEMAKING 12-10-012

**COMMENTS OF THE REGIONAL COUNCIL OF RURAL COUNTIES ON  
RULEMAKING 12-10-012 FOR OIR TO  
CONSIDER MODIFICATIONS TO THE CASE**

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December 3, 2012

The Regional Council of Rural Counties (RCRC) hereby submits its Comments in response to the **Order Instituting Rulemaking 12-10-012 to Consider Modifications to the California Advanced Services Fund.**

RCRC has long supported the elimination of the Certificate of Public Convenience and Necessity (CPCN) and Wireless Identification Registration (WIR) requirements of the California Advanced Services Fund (CASF) because we believe it will encourage a more widespread deployment of broadband access, as well as a greater variety of applicants that can best lead consolidated and coordinated broadband projects within a region. We agree with the CASF staff, that requirements should be changed so that funding can be provided to non-CPCN/WIR candidates who may be the most logical applicants to achieve the most cost-effective deployment of broadband infrastructure in a region. Proposals should be encouraged from providers and organizations such as:

- Wireless Internet service providers (WISPs, mobile or fixed) who may best serve the difficult terrain and population distribution in California;
- Providers using predominately unlicensed spectrum used for Wi-Fi capability;
- Providers that build fiber optic based middle mile facilities;
- Providers who use unlicensed microwave to provide middle mile facilities more efficiently;
- Any non-profit entity, including government entities or community anchor institutions; and
- Tribal entities.

Ninety-two percent of California's landmass is rural, and according to the California Emerging Technology Fund (CETF), 44,000 square miles of California is currently unserved with 1.4 million rural residents without access to broadband. Our members share the commitment of the State of California and the California Public Utilities Commission (CPUC) to fully deploy high-speed communications service to all Californians. The state's goal of reaching 98% broadband deployment and 80% adoption for California by 2015 will never be fully realized, however, without greater flexibility in the requirements of the CASF.

There is precedence for removal of the CPCN/WIR requirement. The CPUC permitted non-CPCN/WIR CASF applicants as a matching component to American Recovery and Reinvestment Act (ARRA) broadband infrastructure awards approximately two years ago. At that time, CETF, non-telephone company Internet service providers (ISPs), former CETF grantees, and current CASF Regional Consortia leaders and members submitted comments to the CPUC regarding the need to expand the CASF program to any organization that is willing to deploy broadband into unserved and underserved communities.

WISPs in particular, utilizing a technology that is one of the most flexible and cost-effective, are able to provide technical solutions for California's challenging terrain and population distribution. WISPs are typically owned or operated by very small or small independent organizations lead by entrepreneurs with heavy community focus, and are therefore more inclined to invest resources into small and less-densely populated underserved, and unserved rural communities. WISPs do not typically possess a CPCN or a WIR, and must either gain such status at significant cost, or partner with another provider that holds a CPCN/WIR, to submit a

proposal to the CPUC CASF program. However, WISPs have found it difficult to forge partnerships with CPCN/WIR providers, because they are frequently competitors.

Overall, we recommend that the CPUC ensure that the CASF funds for infrastructure deployment be used in the most cost-effective and efficient manner to achieve the goal of providing broadband access to 98% of all residences in California. The removal of the CPCN/WIR requirement will help facilitate critical broadband innovation and investment in the remaining unserved and underserved regions in California. CASF is the primary resource in California that supports and subsidizes broadband infrastructure deployment, so it is critical that the funds be used to reach the hardest to serve communities. Ubiquitous broadband infrastructure is and will continue to be critical to spur economic development and improve public safety, education, healthcare, and more. Thank you in advance for your consideration of our comments.

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Respectfully submitted,



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