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Ms. Simin Litkouhi
Communications Division
California Public Utilities Commission
505 Van Ness Avenue, 3rd Floor
San Francisco, CA 94102

Re: Comments of Verizon California Inc. on Draft Resolution T-17416

Dear Ms. Litkouhi:

Verizon California Inc. (Verizon) provides these comments on Draft Resolution T-17416. The Draft Resolution states that it rejects Verizon's challenge of Race Technologies' CASF application. But Verizon did not challenge that application *per se*. Instead, Verizon called Staff's attention to the fact that "the widespread availability of 4G LTE calls into question the underserved nature" of the project. Verizon also noted in its March 11 email that carriers would be submitting updated broadband data in July in response to the Data Requests submitted as part of NTIA's State Broadband Data and Development Grant Program. Verizon recommended that staff should consider reviewing the data submitted in July (that is, "Round 8" data) to ensure that proposed projects actually meet the CASF program requirements based on the most recent data. Verizon's intent was to assist Staff in ensuring public funds are expended for only meritorious and compliant projects.

To that same end, Verizon recommends two fundamental changes to the Draft Resolution, which should result in denial of the application. First, the Commission should modify the Draft Resolution to show that there is wireless broadband in Boron at speeds in excess of 6 mbps download and 1.5 mbps upload. Indeed, the Commission's Interactive Broadband Map (IBM) shows that most of the project area is served with existing wireless broadband service. Inexplicably, the Draft Resolution relies on dated data when it could rely on the recent Round 8 broadband data, or the Spring 2013

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speed test data, both of which “show speeds greater than 6Mbps download and 1.5Mbps upload”¹ in Boron. For example, the IBM currently reports availability of Verizon Wireless broadband service in Boron in excess of the 6/1.5 Mbps benchmark. Similarly, “Round 3” Mobile Field Test Results in the project area also reported speed test results above the benchmark for Verizon Wireless, confirming the area is not underserved.² In short, the Commission’s own information demonstrates Boron is not underserved because of the availability of higher than benchmark wireless broadband service. Retaining areas of the project where wireless broadband exists at speeds in excess of the benchmark amounts to legal error—that is, does not comply with the requirements of the CASF program—and must be corrected.

Second, the discussion relating to price should be deleted as the price of existing broadband service is not a factor in determining the availability of broadband. In D.12-02-015, the Commission implemented new guidelines for the Infrastructure Grant and Revolving Loan Accounts, including redefining an underserved area as “where broadband is available, but no wireline or wireless facilities-based provider offers service at advertised speeds of at least 6 mbps download and 1.5 mbps upload.” That alone identifies an underserved area. The Draft Resolution considered pricing in determining whether the project area is served, but D.12-02-015 does not provide for Staff to use prices for deciding whether an area is underserved or not. The Draft Resolution thus errs in finding that the proposed Boron Project area is an underserved area. (Draft Resolution at 5-6)

The Draft Resolution should be revised accordingly.

Please contact me if you have any questions.

Sincerely,



Kurt Rasmussen
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c: Service list attached to the Notice of Availability

¹ Available at <http://www.broadbandmap.ca.gov/v2.1/>

² See row 8696 and 9625 in the excel file available at http://www.cpuc.ca.gov/NR/rdonlyres/A174769D-06B5-48B6-B5C2-22D9F8A48861/0/Third_Field_Test_Results_v_1_Public.xls