BEFORE THE CALIFORNIA PUBLIC UTILITIES COMMISSIO

3-05-15 04:59 PM

Joint Applications of Comcast Corporation, Time Warner Cable)	04:59 PM
Inc., Time Warner Cable Information Services (California), LLC)	
and Bright House Networks Information Services (California),	
LLC for Expedited Approval of the Transfer of Control of)	
Time Warner Cable Information Services (California), LLC	A. 14-04-013
(U6874C); and the Pro Forma Transfer of Control of Bright	(Filed April 11, 2014)
House Networks Information Services (California), LLC (U6955C))	
to Comcast Corporation Pursuant to California Public Utilities)	
Code Section 854(a).	
And Related Matter, Application No. 14-06-012	
)	

COMMENTS OF THE CALIFORNIA EMERGING TECHNOLOGY FUND ON THE PROPOSED DECISION

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March 5, 2015

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COMMENTS OF THE CALIFORNIA EMERGING TECHNOLOGY FUND ON PROPOSED DECISION

The California Emerging Technology Fund (CETF) supports the Proposed Decision (PD), and urges its approval if, and only if, the conditions requiring specific significant public benefits, as clarified and refined by recommendations herein, are adopted.

I. CPUC Commission Has Authority Under the PU Code Section 854 and Section 706(a)to Consider Broadband Impacts of the Transaction

CETF concurs with the PD's finding that the Commission has authority under the California Public Utilities Code Section 854(a)¹ and Section 854(c) to consider the impacts of the merger on broadband services, specifically whether the transaction would "[b]e beneficial on an overall basis to state and local economies, and to the communities in the area served". ² CETF supports the PD's finding that Section 854(c) authority supports three factors relating to this transaction – consumer benefits, broadband infrastructure, and competition – all of which bear on the Digital Divide.

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¹ Proposed Decision ("PD") at 14.

² PD at 15.

CETF supports the PD's conclusion that Section 706(a)³ of the 1996 Telecommunications Act gives this state Commission limited jurisdiction to evaluate the broadband aspects of the merger, including timely deployment on a reasonable and timely basis of advanced telecommunications capability (broadband) and removal of "barriers to infrastructure investment." Joint Applicants have opposed this position, arguing that broadband aspects exceed this Commission's jurisdiction.

The plain language of the statute shows that Congress granted authority to state commissions to "encourage deployment" of "advanced telecommunications capability to all Americans" CETF urges this Commission to exercise its jurisdiction as to this transaction. It is an inconvenient truth that Joint Applicants solely decide where to install their broadband infrastructure, and the set the rates, plans and eligibility for broadband offerings. These policies thus far have contributed to a serious Digital Divide in California where a full 25% of our residents – primarily persons who are low-income, non-English speaking, people with disabilities, and seniors – are not connected to the Internet. The barriers to getting connected are well known: cost, relevance, and digital literacy. As to cost, California's higher-than-average cost of living results in a higher poverty rate, 6 making an affordable broadband rate even more important. Should the Commission decide to approve the transaction, it should ensure major public benefits that are substantial and verifiable.

³ Section 706(a) provides: "The Commission and each State commission with regulatory jurisdiction over telecommunications services shall encourage the deployment on a reasonable and timely basis of advanced telecommunications capability to all Americans (including, in particular, elementary and secondary schools and classrooms) by utilizing, in a manner consistent with the public interest, convenience, and necessity, price cap regulation, regulatory forbearance, measures that promote competition in the local telecommunications market, or other regulating methods that remove barriers to infrastructure investment." 47 USC Section 1302

⁴ PD at 18-19.

⁵ PD at 20, citing *Verizon v. FCC*, 740 F.3d 623 (D.C. Cir. 2014).

⁶ Studies have shown that when various factors related to the cost of living are taken into account, California has the highest poverty rate of any state. On October 29, 2014, the *Daily Newsletter* published an article by Alexander E.M Hess and Thomas C. Frohlich that stated: "In no state was the gap between the official poverty rate and the supplemental poverty rate wider than in California. Between 2011 and 2013, an average of 16% of residents earned incomes below the poverty line, one of the higher rates in the nation. Once taxes, cost of living, and non-cash income were taken into account, the poverty rate rose to 23.4%, the highest supplemental poverty rate nationwide. California's high cost of living is the largest force pushing state residents into poverty. The cost of rent relative to the rest of the nation was higher than in every state except for Hawaii in 2012. Every day items are also more expensive in California than in the vast majority of states. And despite a wide-ranging need for government assistance, just 9.4% of households received food stamps last year, one of the lowest rates." Hess and Frohlich concluded that while the California official poverty rate is 16.0%, the "supplemental poverty rate" in 2011-2013 was 23.4.

II. CETF Supports the Expansion of the Internet Essentials Program to All Low-Income Households with Recommendations for Clarification and Refinement

CETF commends the PD for heeding the requests of CETF and other consumer parties who requested extension of the Comcast affordable broadband program called "Internet Essentials" ("IE") to all of the post-merger service territories and further expanding IE to all low-income households therein. The expansion of IE to all low income households is a Digital Divide "game changer" that goes directly to the "cost" barrier. CETF requests these clarifications and refinements to the IE conditions in the PD.

A. Use Telephone Lifeline Program Public Assistance Qualification and 200% of the Federal Poverty Level as Eligibility Criteria

On the issue of IE eligibility for low-income households, CETF recommends: (1) use the CPUC Telephone Lifeline Program existing public assistance programs qualification criteria;⁷ and (2) set the eligibility criteria at 200% of the federal poverty level (FPL) – not 150% of FPL as proposed in the PD. Currently, all households with school-age students who are eligible for free-or-reduced lunch under the National School Lunch Program (NSLP) qualify for IE, and that should remain in place. The PD's 150% FPL level will have the unintended consequence of denying eligibility to some households who currently qualify for reduced lunch which uses 185% FPL for the IE school-based program. See Chart B of Appendix B, showing the reduced lunch level criterion is 185% FPL. Students who currently qualify by virtue of the reduced-cost lunch program should not be excluded by a new 150% FPL criterion.

⁷ See http://www.cpuc.ca.gov/PUC/Telco/Public+Programs/ults.htm for current Telephone Lifeline Program eligibility criteria.

For a low-income household, CETF suggests an upwards adjustment of the PD 150% FPL figure to the more appropriate 200% FPL, which would be \$47,700 for a family of four. The high cost of living in California makes 150% FPL an overly-low threshold. 200% FPL is a more reasonable threshold similar to other low-income programs that the Commission uses to establish eligibility, including CalFresh-SNAP at 200% FPL, California Alternative Rates for Energy (CARE) at 200% FPL, Family Electric Rate Assistance (FERA) at 250% FPL, and the federal low-income weatherization program (LIHEAP) at 193% FPL.

CETF further suggests that an additional easy way to determine IE eligibility for low-income households is the existing eligibility for the Telephone Lifeline Program. If qualified for Lifeline, a household should be able to use evidence of enrollment to immediately enroll in IE program. This simple approach avoids a separate eligibility process and further bureaucratic delays, given that target households likely are familiar with the Telephone Lifeline Program.

Currently, Comcast requires that applicants not have subscribed to a Comcast broadband plan for 90 days before signing up for IE. This unnecessary corporate waiting period serves no purpose except to be a barrier to adoption, when the program purpose is to connect low-income households to sustain broadband adoption. All low-income households who meet the above criteria should be allowed to *immediately* sign-up for Internet Essentials, even if they currently subscribe to another service of Joint Applicants.

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⁸ See Appendix B, FPL Chart A, column entitled "200% FPL". The U.S. Health and Human Services Department poverty guidelines – scheduled to be published in the *Federal Register* on January 22, 2015 – should be consulted for appropriate income levels as IE criteria for the high cost of living in California.

⁹ See note 6.¹⁰ See Appendix B for the sources.

Thus, a household would qualify for IE if anyone in the household is enrolled in any one of the following public assistance programs: Medicaid/Medi-Cal, Low Income Home Energy Assistance Program (LIHEAP), Supplemental Security Income (SSI), Federal Public Housing Assistance or Section 8, CalFresh, Food Stamps or Supplemental Nutrition Assistance Program (SNAP), Women, Infants and Children Program (WIC), National School Lunch Program (NSLP), Temporary Assistance for Needy Families (TANF), California Work Opportunity and Responsibility to Kids (CalWORKs), Stanislaus County Work Opportunity and Responsibility to Kids (StanWORKs), Welfare-to-Work (WTW), Greater Avenues for Independence (GAIN), Tribal TANF, Bureau of Indian Affairs General Assistance, Head Start Income Eligible. (Tribal Only), and Food Distribution Program on Indian Reservations. http://www.cpuc.ca.gov/PUC/Telco/Public+Programs/ults.htm

B. Require Comcast to Retain Positive Elements of Internet Essentials Program

A second PD refinement should be for the Commission to memorialize in its final decision the current IE program elements that must be retained for all low-income households: (1) \$9.95/month for broadband service at FCC benchmark broadband speeds; (2) the option to purchase a computer for \$149.99; (3) free digital literacy training (including in-language); (4) no social security number or credit check required of applicant; (5) a functional, easy-to-use online IE enrollment system that is operational 99% of the time; (6) a single call-in customer service number with IE-knowledgeable customer service personnel; (7) no disqualifications for past bad debt or unreturned equipment to any Joint Applicant; and (8) continued "auto enrollment" for all students at schools with 70% of students qualified for the free-or-reduced-lunch program with no further eligibility tests.

The Commission also should improve the IE program and order that: (1) no waiting periods shall be required to switch to the IE program from another company rate plan; (2) applications must be sent to an applicant within five business days, processed within three business days, and any equipment (\$149.99 computer, modem, wireless router) shipped within seven business days of program acceptance; and (3) emails or faxes of reliable identification, such as an ITIN issued by the Internal Revenue Service (many banks accept ITINs), shall be accepted so that no in-person meeting is required for applicants without a social security number; and (4) at its own expense, the Joint Applicants shall provide effective advertising (including in-language as appropriate in a target neighborhood) in a variety of media and other advertising methods in low-income communities.

C. Support and Refine the 45% Enrollment Goal for Eligible Households

The PD requires Comcast to enroll "at least 45% of eligible households in Internet Essentials within two years of the effective date of the parent company merger, unless Comcast can show that the penetration rate for its customers who are not Internet Essential eligible (Base Penetration Rate) is less than 45%, in which case the penetration rate for Internet Essentials

shall not be less than the Base Penetration Rate." CETF commends this critical finding of the PD for its conclusion, based on data submitted into the record, that a 45% goal is both reasonable and achievable. It is critical that a measurable and achievable performance goal for IE enrollment be an enforceable condition of the merger, and that the Joint Applicants agree to be accountable to the Commission post-merger for achieving the goal. Comcast has stated in numerous documents it has "nearly 25,000 individuals and organizations registered for the Partner Portal, and partners requested and received nearly 37 million pieces of promotional collateral—all at no charge". What Comcast does say is that it's "Program partners are not asked or required to assist Comcast with *Internet Essentials* signups." The work it takes to achieve sustainable sign-ups will only be done by organizations that understand from experience what is needed and are compensated fairly for the time and effort.

Despite Comcast's protestations, ¹⁵ 45% enrollment of eligible households is an achievable goal. Comcast contends that it has enrolled 14.7% of California eligible households in IE in three years, leaving 30% in two years (15% a year). ¹⁶ If the Commission chooses to provide flexibility to the Joint Applicants, it should be only for the timeframe to achieve the goal, but the 45% goal should be retained. The 45% goal has been found reasonable for the Lifeline

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¹² PD at 78.

¹³ It is mindboggling that to date, Comcast has rejected the notion of a goal for performance accountability for the IE program, when numeric goals are the bedrock of private-sector corporate management.

¹⁴Comcast's Responses to CETFs First Set of Data Requests (Nos. 1-12) Application A.14-04-013 & A.14-06-012 October 14, 2014 ¹⁵ Blog, Feb. 13, 2015, by David Cohen, Comcast EVP and Chief Diversity Officer, "For example, some of the penetration rates and time frames suggested by the conditions are simply unattainable under market conditions, especially with populations that have been slowest to adopt broadband." http://corporate.comcast.com/comcast-voices/cpuc-administrative-law-judge-recommends-approval-of-comcast-twc-and-charter-transactions

¹⁶ There are about 3 million eligible low-income households in California. With wireline phone subscribers waning, wireless phone subscription has risen. This Commission has forecast for 2015-2016, a 45% participation rate (1.376 million participants) in the wireless Lifeline telephone program for low-income persons. ¹⁶ The 45% rate was found to be a "reasonable assumption" based on its review of different wireless service rates from other large states with Lifeline programs, like New York, Florida and Illinois, ranging from 30%-38%. Because California has a higher number of low-income households, offers higher level of support to service providers (both Federal and California Lifeline) with a larger discount than other states, the Commission found it more likely that California customers would subscribe and thus "45% is a reasonable assumption." While a different program, it is the same targeted low-income population, and a 45% goal was found reasonable.

wireless program. Further, experienced CBOs signed a letter confirming their commitment and ability to achieve the 45% goal (submitted with the CETF filing on December 10, 2014).

CETF requests that the following refinements on the 45% goal be incorporated into the final decision. First, the 45% goal should apply to each low-income census block group, and not to the service territory as a whole. Successful broadband adoption outreach, sign-ups, and digital literacy training must be "placed-based" and pursued by experienced community-based organizations ("CBOs"), who are "trusted messengers" within the target low-income neighborhoods and communities. Accountability for the 45% goal also needs to be aligned with the needs and attributes of each community. (See below data analysis to achieve 45% goal.)

Second, CETF has concerns about the PD language that allows Joint Applicants to lower the 45% penetration goal where the Base Penetration Rate for broadband is lower than 45% for the general population. CETF questions whether this is wise given that CETF understands that Comcast has said it is prepared to serve all eligible IE school households, regardless of any Base Penetration Rate, since the inception of the IE program. The Commission should require as a condition of the merger that the Joint Applicants: (a) make a firm commitment to enroll all eligible low-income households under the criteria ordered in the final decision; or (b) if not prepared to enroll all eligible low-income households, state what percentage of low-income households they will commit to enroll in IE; and (c) commit \$275 per low-income household included in the 45% goal with a specific budget to support experienced CBOs, schools and libraries compensated on a performance basis for each household they enroll in IE. The budget should be required as part of the Annual Plan filed with the Commission, made available for public review and input, and subject to modification by the Commission before approval by the Commission. (See below allowable costs in the budget.)

D. The Commission Should Require Wireless Routers for All Internet Essentials Customers: Present and Future

CETF strongly supports the PD's requirement that wireless routers be made available at no additional charge to IE program participants, in order to enable multiple Internet users in a low-income household at once. Currently, IE equipment only allows one user at a time in the household to connect to the Internet (although Comcast claims to have connected all persons in a household). The IE customer must purchase additional equipment to attach to the high-speed Internet modem to enable receiving the Internet signal wirelessly in a dwelling. The provision of wireless routers as part of the IE program will enable all students in a family to use their school-issued computing device to do online homework at the same time.

The PD rightly finds that this new requirement would align the IE program with the Federal Communications Commission E-rate initiatives, as enunciated in the FCC's July 23, 2014 E-rate Modernization Report and Order.¹⁷ The FCC noted in that decision that schools and libraries recognize the importance of high-speed broadband to use the variety of Wi-Fi enabled devices deployed by school districts for educational purposes.¹⁸ Further, the White House announced a ConnectED initiative, which will connect 99 percent of America's students to next-generation broadband and high-speed wireless networks in their schools and libraries in five years.¹⁹ When these school-issued wireless devices (netbooks, tablets, or laptop computers) go home, students need to be able to perform their online-enabled homework on such devices. Some school districts, such as Los Angeles Unified School District, are providing iPads to its students, but iPads have no Ethernet port to connect to Comcast modems for Internet access. If only one student in a family can be online at a time, this is not an optimal situation for academic achievement. CETF encourages the

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¹⁷ E-Rate Modernization Report and Order, FCC 14-99 (adopted July 11, 2014, rel. July 23, 2014) ("E-Rate Order).

¹⁸ E-Rate Order, at para. 29.

¹⁹ See Making Progress on ConnectED (Feb. 4, 2014) https://www.google.com/#q=making+progress+on+connectED+david+hudson and https://www.google.com/#q=making+progress+on+connectED+david+hudson and https://www.google.com/#q=making+progress+on+connectED+david+hudson and https://www.google.com/#q=making+progress+on+connectED+david+hudson and https://www.google.com/#q=making+progress-on-connectED+david+hudson and https://www.google.com/#q=making+progress-on-connectED+david+hudson and https://www.google.com/#q=making-progress-on-connectED+david+hudson and <a href="https://w

Commission to clarify that this condition shall apply to all *current* Internet Essentials customers, as well as to future subscribers.

E. Provide Specificity for the Development of the Internet Essentials Annual Plan and Allowed Use of \$275 per Eligible Household Funding

CETF supports the PD's approach that requires Joint Applicants to develop and submit an Annual Plan ("Plan") for the expanded Internet Essentials program for each of five years to ensure achieving the goal to enroll 45% of eligible households with a minimum amount of \$275 allocated per eligible household. The Commission should provide clear direction in the final decision on the Plan's required content and the acceptable items and activities that the IE fund may cover. The Commission needs to specify the data base or sources used each year for the Plan. CETF recommends using the U.S. Census Bureau American Community Survey for all low-income households and the California Department of Education for the number of students eligible for freeor-reduced lunch. The Plan should identify the number of eligible households by census block, census block groups, and census tract (nested within one another) and by school and school district. The 45% goal must be based on these identified eligible households. Data sampling should be conducted to reach agreement on the average number of eligible students per family. CETF was intentionally very conservative in all the household projections submitted to the CPUC and used an average figure of 2.2 eligible children per household. However, the actual figure is likely lower, which would result in a larger number of eligible families, and a greater amount of required investment by Joint Applicants. CETF continues to recommend an IE fund be capitalized by the Joint Applicants with an independent third party administrator selected by an open Request for Proposal by an appropriate State agency in order to ensure transparency of the fund use, grants to experienced CBOs, schools, and libraries for outreach with actual subscription metrics in the target neighborhoods, and full compliance with the Commission's decision. The Commission should

require the Annual Plan to be publicly available and open to public comment and subject to amendment by the Commission before approval. The \$275 per eligible household also should be required to be set aside by Joint Applicants in an independent fund to ensure enforceability.

As documented in research and confirmed by experience, a successful broadband adoption program for low-income households must address the three barriers: cost; relevance; and digital literacy. While the Internet Essentials program has addressed the cost barrier in an effective manner, the implementation of the program by Comcast (as discussed in CETF prior filings, and supported by other consumer parties) has failed to effectively address the relevance and digital literacy barriers. There has been no significant investment by Comcast in engaging experienced CBOs as "trusted messengers" to reach out and help with sign-ups in the target populations, nor has there been an effective digital literacy training regime. The Plan needs to set forth how Joint Applicants intends to redesign the IE program implementation to address all three barriers. Third party input should be encouraged and facilitated by this Commission or an independent fund manager and coordinator.

Joint Applicants should be prohibited from increasing the barriers to sign-ups in the form of more stringent eligibility requirements, such as credit checks, submission of social security numbers, or sign-ups requiring a visit to a customer service office. The first Annual Plan should delineate how the current IE process will be improved, streamlined and simplified to facilitate subscriptions. Each Plan thereafter needs to assess program effectiveness, with identification of additional steps that might be appropriate and necessary to achieve the 45% adoption goal.

CETF submitted data in prior pleadings showing that today it costs experienced CBOs an average of \$480 per broadband enrollment to perform outreach, provide the digital literacy, and conclude a new documented subscription. CETF stated that the amount per broadband subscription could be reduced to about \$250 per sign-up if Comcast were sincere about forging an effective

public-private partnership in which: (a) the many problems with the current sign-up process were resolved; and (b) IE advertising was shown during waking hours, with a call-in telephone number, and through media channels and publications that are in-language and culturally-appropriate. The PD proposed an investment of \$275 per eligible household is responsive to the data submitted by CETF. The bulk of the \$275 per eligible household should be dedicated to CBOs, schools and libraries to perform the outreach (in-language and in culture) digital literacy training, and assistance in completing the sign-up process. It may be appropriate to use a modest amount of these funds for public awareness through community and ethnic media as CETF and partners did to implement American Recovery and Reinvestment Act grants. However, Joint Applicants should be expected and required to significantly expand effective advertising through its own video and cable channels, websites, and other media holdings as an additional investment beyond the proposed \$275 per eligible household. Joint Applicants should advertise Internet Essentials with the same kind of sophisticated communications and production value as it does their other consumer services.

The Plan needs to strive for regional proportionality in the allocation of funding at \$275 per eligible household. Today, the Los Angeles Region, Inland Empire, and San Joaquin Valley have the lowest broadband adoption rates. An effective program to market Internet Essentials needs to invest a fair share of funds into each of these regions, and to work with CBOs aligned with regional priorities in partnership with regional civic, educational and library organizations.

In its decision, the Commission should underscore the fact that at an investment of \$275 per eligible household, if the Plan fosters a performance-based public-private partnership as proposed by CETF, the payback period to Comcast is less than three years. Each household signed up for Internet Essential pays \$10 per month, thus generating \$120 per year or \$360 over 3 years. This approach is a cost-effective strategy to immediately narrow the Digital Divide in California.

CETF requests the Commission to specify elements and activities of the Plan that may be supported by the required budget of \$275 per eligible household for broadband adoption, including funding for: (1) experienced, third-party outreach and sign-ups by CBOs, schools and libraries for targeted low-income communities; (2) effective digital literacy programs in target neighborhoods; (3) technical assistance; (4) acquisition of affordable computing equipment (such as refurbished devices lower in cost than \$149.99 offered by Comcast); (5) independent program management and coordination not to exceed 10% of the cost per household sign-up; and (6) in-language advertising that targets the low-income communities in media or other outlets not owned or affiliated with Joint Applicants with a customer service telephone number (not just a website link which is of little use to a household without Internet access). If Comcast is allowed to reduce the 45% enrollment goal in some extreme circumstances, then that lower goal needs to apply to a Base Penetration Rate that is reasonable in geographic scope (and not the entire service territory), and is revisited each year in the required Plan submitted by Comcast to the Commission.

Comcast should provide quarterly public reports to the Commission that contain: (1) the number of new IE subscriptions by census block (nested within census block groups and census tracts) and by school (nested within schools districts) for that quarter; (2) the total number of IE subscriptions by census block (nested within census block groups and census tracts) and by school (nested within school district) since the inception of the program; and (3) the number of continuing IE subscribers with an accounting for those who terminated IE service in that quarter for any reason.

Consistent with paragraph 13 in Appendix A of the PD, CETF stands ready in good faith to collaborate and work with Joint Applicants and all interested CBOs to help develop an effective, deep and abiding public-private partnership with Comcast to bridge the Digital Divide. There is no

substitute for the innovation and efficiency of the private sector when engaged as sincere partners motivated to achieve explicit goals.

III. CETF Endorses Stand-Alone Internet Service for All Consumers and Supports All Other Public Benefit Conditions to Close the Digital Divide

CETF supports the PD recommendations regarding the offer of a stand-alone Internet service for all customers. We urge the Commission to reinforce this tangible public benefit for all consumers.

CETF further supports all other public benefit conditions set forth in the PD to close the Digital Divide. However, CETF also recognizes that each Commissioner has unique experience as to facets of Digital Inclusion and these perspectives should be incorporated into the final decision.

CETF commends the PD for its proposal that Comcast report to the Commission regularly on its progress in complying with all conditions of approval. Although CETF recommended establishment of an independent oversight committee, there is no substitute for direct involvement of the Commission itself, provided advance notice is given for interested parties to participate. Further, CETF suggests that the Communications Division convene public workshops annually to review the Joint Applicants' Plan, make such Plan public, and to monitor progress.

IV. Conditions of Approval are Enforceable to Ensure Public Benefit

During the All Parties Meeting before the Commission on February 25, 2015, some parties questioned the enforceability of the PD conditions of approval. CETF respectfully underscores that:

(a) public benefit conditions of approval first must adopted by the Commission before they can be enforced; (b) the Commission has existing enforcement capacity in the Safety and Enforcement Division; (c) and the Commission has a track record of enforcement. Further, CETF delineates above the specific requirements of the Annual Plan for clarity, transparency, and accountability for meeting performance requirements and achieving the 45% adoption goal. CETF also reaffirms the

recommendation that the Commission require the Joint Applicants to capitalize an independent fund

at \$275 per household to ensure adequate resources to achieve the 45% goal.

In the 2005 SBC acquisition of AT&T and Verizon acquisition of MCI, the only state that had

the foresight to secure a public benefit to close the Digital Divide was California through the actions

of this Commission. That investment in the form of an independent fund has had tangible benefits

for our residents and has contributed to the vitality of our economy. The evidence is clear that a

public benefit can be obtained from corporate consolidations and are enforceable if the conditions

of approval are explicit. Approval of the PD with the CETF refinements and recommendations will

provide the legal basis to seek enforcement should the Joint Applicants fail to comply in the future,

V. Conclusion

This Commission historically has been a trailblazer in public policy to close the Digital Divide.

This Commission should continue that tradition of national leadership and seize the opportunity to

secure significant public benefit by adopting and refining the PD conditions of approval as

recommended by CETF. That choice is far more empowering for low-income households than

leaving them stuck indefinitely on the wrong side of the Digital Divide. With one bold action, this

Commission will ensure that all Californians have the opportunity to subscribe to affordable high-

speed Internet access and to participate in the Digital Economy, a 21st Century civil right.

Respectfully submitted,

/s/ Sunne Wright McPeak

/s/ Rachelle Chong

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