



Central Coast Broadband Consortium

The Honorable Ben Hueso
Chair, Senate Energy, Utilities and Communications Committee
State Capitol, Room 4140
Sacramento, California 95814

RE: Assembly Bill 1665 - OPPOSE

July 6, 2017

Dear Senator Hueso:

The newly amended version of Assembly Bill 1665 is a significant step backward for broadband development in California. As stated in our letter of June 23, 2017, the Central Coast Broadband Consortium is opposed to AB 1665 as currently written.

The California Advanced Services Fund is a vital tool for closing the broadband service gap between rural and urban communities. We would enthusiastically support AB 1665 if it moved the program forward. To that end, we suggest the following changes:

1. Speed levels should be set by the California Public Utilities Commission and be regularly updated to reflect the current state of the art. The Federal Communication Commission's advanced services standard of 25 Mbps download and 3 Mbps upload speeds is a good example of a well considered benchmark. Lowering California's standard to 6 Mbps down/1 Mbps up and locking it into a statute is unacceptable.
2. Infrastructure grants should be accepted and evaluated on the basis of needs as determined at the local level, and not on a top down planning process with a privileged right of first refusal for incumbents that is designed to exclude independent service providers.
3. Federal subsidy programs, particularly the Connect America Fund program, do not support service at the speeds Californians need, or within an equitable timeframe, or to all homes and businesses within a community. Poor or non-existent service should not be tolerated simply because it is supported by federal money, and incumbent providers should not be allowed to carve out exclusive areas on that basis.
4. The greatest successes of the CASF program have been with middle mile projects that are delivering modern service to hundreds of thousands of Californians. This success is due largely to the competitive, market-based dynamic that middle mile fiber introduces. The program must retain the current balance between last and middle mile projects.

The CASF program should support advanced services, and not protect outdated, legacy systems. Access to advanced services requires adequate upload, as well as download, capacity. As defined by federal law:

Advanced telecommunications capability: The term 'advanced telecommunications capability' is defined, without regard to any transmission media or technology, as high-speed, switched, broadband telecommunications capability that enables users to originate and receive high-quality voice, data, graphics, and video telecommunications using any technology.

And because it is not possible to say whether we have achieved this objective without saying in some measurable way what it means, the federal and state commissions have established threshold performance criteria for broadband.

What both California and federal law does not say is:

- Receiving is more important than originating.
- Video origination will count only if users attempt it.
- Video conferencing is the only important type of video origination.

While the states can legislate definitions for broadband, a better course is to leave such determinations to the appropriate expert body. For California, that is the California Public Utilities Commission. AB 1665 establishes speed thresholds for originating and receiving data, but, for example, is silent about packet loss, transmission delay, jitter and affordability. It is not our point that AB 1665 should be repaired by adding such criteria. The question of which technical criteria should be included is one that is best left to an expert body and not something that should be enshrined in statute.

Again, we respectfully ask that AB 1665 be either amended or set aside for the moment, so that all Californians may benefit equally from the California Advanced Services Fund.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel Staker", with a long, sweeping underline.

Joel Staker
Chair
Central Coast Broadband Consortium

cc: Honorable Members, Senate Energy, Utilities and Communications Committee
Jay Dickenson, Chief Consultant, Senate Energy, Utilities and Communications Committee
Nidia Bautista, Consultant, Senate Energy, Utilities and Communications Committee
Melanie Cain, Assistant, Senate Energy, Utilities and Communications Committee