
North Bay/North Coast Broadband Consortium

May 15, 2020

The Honorable Ben Hueso
Chair
State Capitol, Room 4035
Sacramento, CA 95814

The Honorable John Moorlach
Vice Chair
State Capitol, Room 4035
Sacramento, CA 95814

Re: SB 1130 – Fiber for All legislation

Dear Chair Hueso and Vice Chair Moorlach:

The Oversight Committee of the North Bay North Coast Broadband Consortium (NBNCBC- members are Marin, Mendocino, Napa and Sonoma counties)# wishes to express its support for SB 1130 legislation to connect Californians to high-capacity underground fiber-based broadband service.

We endorse SB 1130’s call for:

- Last mile projects to be fiber-based;
- California speed standards to be raised to 25 Mbps download and 25 Mbps upload; and,
- Middle-mile projects to become “open access” projects.

Early on NBNCBC embraced deploying fiber-based infrastructure for “last mile” projects. This is evidenced by our recently facilitating three CASF Infrastructure Program grant applications, all underground fiber-based. The numerous outages and the 2017 wildfires in our region demand such an approach to minimize damage to broadband infrastructure by disasters.

For years we have stated the current California speed standards of 6 Mbps download and 1 Mbps upload were inadequate. In 2019 we adopted 100/20 based on an extensive study done by the Central Coast Broadband Consortium and the Monterey Bay Economic Partnership. They determined that 100/20 were the minimum standards needed to serve a wide range of users.

For the past several months we have been working on a proposal that calls for the State of California to identify and empower a neutral nonprofit entity to plan, design, deploy, own, and manage a statewide Open Access Network to close the Digital Divide in Unserved communities. A neutral third party allows the State of California to remain heavily involved, while reducing its

direct risks and ongoing responsibilities for this infrastructure. In addition, a non-profit based effort that is supported by the State of California allows the initiative to be driven at the speed of the private sector while promoting the public's best interests, including provider competition and user affordability.

While endorsing SB 1130 we do have one recommendation:

Extend the Timeline and Amount of Funding for the CASF Program

- The current CASF Program is scheduled to end December 31, 2022. The program has a five-year total of \$330 million; collecting \$66 million per year.
- SB 1130 proposes only to extend the CASF Program two years ending December 31, 2024 and would add only another \$132 million to the total.
- Given that on May 1, 2020 over 50 CASF Infrastructure grant applications were submitted totaling \$538 million, extending the program two years falls way short of the need.

NBNCBC recommends the CASF Program be ended December 31, 2022 and replaced with a much more robust funding program with an end date of December 31, 2030. Or, at a minimum, extend the current CASF Program to December 31, 2030 adding another \$528 million to the total pool.

NBNCBC analyzed the CASF Infrastructure Account grant awards for the past year. Based on the current speed standards of 6/1 we found the CASF grants per Household ranged from \$18,000 to nearly \$50,000. To achieve the 98% goal per region the CASF Infrastructure Account would need:

- \$625,365,600 at \$20,000 per Household
- \$1,094,389,800 at \$35,000 per Household

The current pool of funds does not cover the projected costs.

If the speed standards are raised to 25/25, as you recommend, the CASF Infrastructure Account may need up to 10 times those amounts.

Incidentally, NBNCBC has partnered with a provider to develop a fiber-based plan for Mendocino County. A CASF grant application was submitted yesterday and the cost per Household is nearly \$50,000.

Conclusion

For over a decade Californians and our counterparts nationwide have been trying to solve the broadband access challenge.

*In its final report issued in January 2008, “**The State of Connectivity: Building Innovation Through Broadband,**” the California Broadband Task Force recommended seven key actions to help our state achieve fast, reliable and affordable broadband services. The first recommendation was:*

“Build out high-speed broadband infrastructure to all Californians.”

In making this recommendation, the Task Force stated, “Advancing new incentives for deployment and improving existing programs will create a world-class broadband infrastructure for California.”

*In February 2011, the Federal Communications Commission (FCC) created the **National Broadband Plan (NBP)** wherein the FCC observed that, “Broadband is the great infrastructure challenge of the early 21st century.” The NBP recommends seven long-term goals, of which the first is:*

“At least 100 million homes should have affordable access to actual download speeds of at least 100 megabits per second and actual upload speed of at least 50 megabits per second.”

Unfortunately, there has never been an organized effort by the state’s administration to develop an overall statewide broadband strategy and plan. It has been left to the telecommunications providers to meet the need. Thank goodness for the California Emerging Technology Fund (CETF) and the CPUC’s CASF program for creating and funding up to 17 regional consortia over the past decade. Together, the CETF, CPUC and regional consortia have worked at addressing the unmet need for broadband access and adoption.

But, now is the time for the Legislature and the Governor to step up and take the lead in the development of a broadband strategy and plan to fulfill the January 2008 recommendation to:

“Build out high-speed broadband infrastructure to all Californians.”

We look forward to working with you to develop a long-term strategy to fund the deployment of fiber-based infrastructure to serve the Unserved and Non-Served communities throughout California.

Sincerely,



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NBNCBC

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This support does not represent the official positions of the four county Boards of Supervisors

cc: Senator Lena Gonzalez

Senator Mike McGuire

Senator Bill Dodd

Assemblymember Jim Wood

Assemblymember Celcia Aguiar-Curry

Assemblymember Marc Levine

Commissioner Martha Guzman Aceves

NBNCBC Oversight Committee (Supervisors Dennis Rodoni and Damon Connolly, Marin; Ted Williams, and John Haschak, Mendocino; Diann Dillon and Bella Ramos, Napa; and, Lynda Hopkins and James Gore, Sonoma,

NBNCBC Management Team

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