# PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Communications Division Broadband Regional Initiatives Branch** 

RESOLUTION T-17852 October 17, 2024

Date of Issuance: October 21, 2024

#### RESOLUTION

RESOLUTION T-17852: Approves seven applications for grants for up to \$18,011,261 from the Last Mile Federal Funding Account in San Luis Obispo County, providing service to 2,754 unserved locations.

## I. SUMMARY

This Resolution recommends approval of seven Last Mile Federal Funding Account grants in the amount of up to \$18,011,261.

This Resolution is part of the seventh package of Resolutions approving grants to Federal Funding Account applicants for broadband infrastructure projects serving unserved areas in California. Subsequent Resolutions will be presented for Commission vote as Communications Division Staff completes its analyses of applications.

The seven projects in this Resolution propose to make investments bringing the social, economic, civic, and public safety benefits of high-speed broadband to 2,754 unserved locations and an estimated unserved population of 8,641 in San Luis Obispo County. An estimated total population of 23,514 people will benefit from these investments as households and businesses that already have service in these communities will benefit from greater customer choice in the broadband market. The last mile connections funded by these grants build upon the state-owned open-access Middle-Mile Broadband Initiative.

Staff recommends grant awards to three entities (listed in the order in which they appear in this Resolution): Astound, the California Broadband Alliance, and the City of San Luis Obispo.

Astound is an independent telecommunications company offering service in multiple California counties. The California Broadband Alliance is a 501(c)3 non-profit organization working on broadband access in the Central Coast that has partnered with the independent telecommunications company Surfnet Communications to apply to the

544078450

CD/CJ2

Federal Funding Account. The City of San Luis Obispo is an incorporated city located in San Luis Obispo County.

Staff recommends the following seven grant applications for Commission approval as shown in Table 1 below. Maps and summaries associated with each project are in the appendices.

**Table 1: Summary of Grant Funding** 

Applicant	Project Name	Estimated Unserved Locations	Estimated Unserved Units	Estimated Unserved Population	Estimated Benefitting Population	Awarded Amount
San Luis Obisp	00					
Astound	Atascadero – Paso Robles	201	252	800	2,498	\$6,794,215
Surfnet	Branch	856	844	2,087	2,087	\$2,093,539
Surfnet	Corbett Canyon	273	443	989	2,168	\$1,280,937
Surfnet	Old Oak Park	370	482	1,143	1,688	\$1,550,572
City of San Luis Obispo	San Luis Obispo Affordable Broadband Network	490	966	2,011	13,423	\$4,863,799
Surfnet	Shandon	443	424	1,281	1,318	\$722,821
Surfnet	Whitley Gardens	121	131	330	332	\$705,378
Total		2,754	3,542	8,641	23,514	\$18,011,261

# II. <u>BACKGROUND</u>

California's multi-year broadband investment package established the last mile Federal Funding Account as part of the Budget Act of 2021 and Senate Bill 156¹ and invested \$2 billion in the program over multiple years. The Federal Funding Account funds the construction of last mile broadband infrastructure projects in unserved areas of California. The Federal Funding Account encourages the deployment of broadband throughout the State to enable the public to access internet-based safety applications, telehealth services, emergency services, and to allow first responders to communicate with each other and collaborate during emergencies.

<sup>&</sup>lt;sup>1</sup> Statute 2021, Chapters 84 and 112.

CD/CJ2

On April 21, 2022, the Commission issued Decision (D.) 22-04-055, Decision Adopting Federal Funding Account Rules. The rules and guidelines adopted in that decision included, among other items, the following: rules about projects to benefit Environmental and Social Justice Communities, affordable offers, five and ten-year price commitments, low-cost plans, project eligibility, application requirements, application objections, implementation of Public Utilities Code section 281(n) allocating funding between "rural counties" and "urban counties," a process to reimburse grantees, a ministerial review process whereby Communications Division Staff may approve certain projects, and minimum performance standards for grantees.

The Federal Funding Account D. 22-04-055 includes requirements and preference for a number of affordability requirements including:

- Participation in the Affordable Connectivity Program or access to a "broadbased affordability program." Given that the Affordable Connectivity Program has lapsed grantees must participate in a successor program when identified by the Commission.
- A five-year price commitment, and preference for a ten-year commitment.
- Preference for a low-cost plan that is \$40/month or less and provides speeds of at least 50 Megabits per second (Mbps) down and 20 Megabits per second up.
- Preference for participation in the California and/or federal Lifeline programs (which may include bundled voice and broadband offerings).

Applications that committed to provide voice service and participate in LifeLine, consistent with the requirement to serve customers in the project area at prices not exceeding those in the application for five years after project completion, must provide voice service and participate in LifeLine for five years after project completion. In providing grant funding to projects the Commission is validating the need for and the state's investment in the provision of communications service, including voice and programs supporting affordability like LifeLine, for the life of the infrastructure.

The Federal Funding Account Decision and Appendix specify additional consideration for disadvantaged communities or Environmental and Social Justice communities.<sup>2</sup> The Commission made available on the Federal Funding Account Public Map,<sup>3</sup> the

<sup>&</sup>lt;sup>2</sup> The Commission Environmental and Social Justice Action plan includes definitions and data indicators for disadvantaged or Environmental and Social Justice communities including Disadvantaged Communities defined by the California Environmental Protection Agency (CalEPA) and low-income households defined as household incomes below 80 percent of the area median income. The Commission's Environmental and Social Justice Action Plan 2.0 is available at: <a href="https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj-esj-action-plan-v2jw.pdf">https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj-esj-action-plan-v2jw.pdf</a>

<sup>&</sup>lt;sup>3</sup> The Federal Funding Account Public Map is available at: https://federalfundingaccountmap.vetro.io/

CD/CJ2

Applicant Tool,<sup>4</sup> and data downloads locations and census blocks meeting these definitions.<sup>5</sup> A grant application window was opened on June 30, 2023, and closed at 4 p.m. on September 29, 2023; 484 applications were submitted. Application summaries were posted on October 23, 2023, and a 28-day objection period closed on November 20, 2023. Responses to objections were received until December 20, 2023.

Applications were holistically evaluated: required and supporting documentation and the merits of the applications were compared and assessed on a county basis. Following an initial analysis, Staff sent a data request to applicants and requested additional information. Staff's holistic evaluation included project engineering, technical feasibility and design, financial viability, cost, applicant capacity, and community need, among other factors. Staff assessed how to manage overlapping applications and applications planning to include some already-served areas in their project area.<sup>6</sup>

Staff also evaluated how applications and groups of applications compared to competing applications in the same county.

The specific locations to be provided service for a given project will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations. The Federal Funding Account award will not fund locations supported by a federal broadband program with Capital Project Fund monies.<sup>7</sup>

<sup>&</sup>lt;sup>4</sup> Registration for the Federal Funding Account Applicant Tool is available at: <u>FFA Applicant Tool</u> Registration

<sup>&</sup>lt;sup>5</sup> Disadvantaged or Environmental and Social Justice communities and individual locations, for purposes of the Federal Funding Account, include those in Disadvantaged Communities census tracts as defined by CalEPA and low-income areas in which the census block group median household income is less than or equal to 80 percent of the higher of the county or state average. This data is available for download on the Federal Funding Account Public Map page (visited June 13, 2024), <a href="https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/last-mile-federal-funding-account/ffa-public-map and the Federal Funding Account Application Resources Page (visited June 13, 2024), <a href="https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/last-mile-federal-funding-account/ffa-application-resources-page">https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/last-mile-federal-funding-account/ffa-application-resources-page">https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/last-mile-federal-funding-account/ffa-application-resources-page</a>.

<sup>&</sup>lt;sup>6</sup> D.22-04-055 states that "households and businesses with an identified need for additional broadband infrastructure do not have to be the only ones in the service area served by an eligible broadband infrastructure project. Indeed, serving these households and businesses may require a holistic approach that provides service to a wider area, for example, in order to make ongoing service of certain households or businesses within the service area economical."

<sup>&</sup>lt;sup>7</sup> Federal broadband programs include the Connect America Fund II (CAFII), Community Connects Grant Program (CCGP), Enhanced Alternative Connect America Cost Model (EACACM), Rural Digital Opportunity Fund (RDOF), Rural E-Connectivity Program (REP), Tribal Broadband Connectivity Program (TBCP), and Telephone Loan Program (TLP).

#### III. APPLICATION SUMMARIES, DISCUSSION, AND RECOMMENDATIONS

# San Luis Obispo Summary

The allocation for projects in San Luis Obispo County in D. 22-04-005 is \$22,346,936. This Resolution recommends awarding five grants to the California Broadband Alliance, which has partnered with the applicant Surfnet Communications, one grant to Astound, and one grant to City of San Luis Obispo for projects in San Luis Obispo County. The recommended grant amount for projects in San Luis Obispo County is \$18,011,261, which leaves a remainder of \$4,335,675 of the allocation for San Luis Obispo County.

# San Luis Obispo County Awards

## 1. Astound, Atascadero-Paso Robles

Staff recommends the Commission approve Astound's application for a grant of up to \$6,794,215 for the Atascadero-Paso Robles project.

The Atascadero-Paso Robles project proposes to serve an estimated 201 unserved locations based on a March 2024 supplemental application filing. There are approximately 252 unserved units in the project area. An estimated unserved population of 800 would be offered service. An estimated total population of 2,498 will benefit from these investments in the communities of City of Atascadero and City of Paso Robles. The last-mile fiber project will provide up to 2,000/2,000 Mbps service to consumers.

Astound will deploy approximately 33 miles of last-mile fiber. The network infrastructure will be 16 percent underground.

The Atascadero-Paso Robles project will benefit disadvantaged or Environmental and Social Justice communities; 49 percent of the unserved locations are in low-income communities. Astound will provide a low-cost plan that meets the requirements in D. 22-04-055, Section 3, and has committed to maintaining the price of that plan for at least ten years.

The proposed project will cost an estimated \$6,794,215, of which the Federal Funding Account will fund approximately 100 percent of costs.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant demonstrated the

CD/CJ2

administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received one objection. Staff verified that the application seeks funding only for unserved locations within the project area and that partial funding for fixed infrastructure through served areas is necessary to reach the unserved locations. The project area of Atascadero-Paso Robles was not modified in response to objections; the Federal Final Rule<sup>8</sup> and D.22-04-055<sup>9</sup> allow projects serving unserved locations to include served locations to make the project viable.

No Federal Funding Account Public Map comments were submitted in San Luis Obispo County. Atascadero-Paso Robles project area's unserved locations were evaluated in light of the updated Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to objections and this data, the number of unserved locations is unchanged at 201, the project area is unchanged, and the total grant amount is unchanged. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

The following submitted letters of support for this application: City of Atascadero, City of Paso Robles, Broadband Consortium of the Pacific Coast, Atascadero Chamber of Commerce, REACH the Regional Economic Action Coalition.

The proposed project provides the public safety benefits of reliable broadband infrastructure. This project will connect to Astound's middle mile infrastructure.

Based on the information received, the Commission's Energy Division has determined that this project has not met the requirements for a CEQA categorial exemption at this time. Astound must comply with the CEQA requirements discussed in the appendices. If Astound provides additional documentation sufficient to justify a staff determination of CEQA exemption, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.

Astound and the Atascadero-Paso Robles project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the

<sup>&</sup>lt;sup>8</sup> Department of the Treasury, Final Rule, Coronavirus State and Local Fiscal Recovery Funds, 31 C.F.R. Part 35, 87 FR 4338-4454 (January 27, 2022) (Final Rule), available at: <a href="https://www.federalregister.gov/documents/2022/01/27/2022-00292/coronavirus-state-and-local-fiscal-recovery-funds">https://www.federalregister.gov/documents/2022/01/27/2022-00292/coronavirus-state-and-local-fiscal-recovery-funds</a>.

<sup>&</sup>lt;sup>9</sup> D.22-04-055, Appendix A, Section 2, p. A-5.

<sup>&</sup>lt;sup>10</sup> See Federal Funding Account Public Map, <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a> (visited August 19, 2024).

CD/CJ2

Commission approve the application of Astound for a grant of up to \$6,794,215 for the Atascadero-Paso Robles project.

# 2. Surfnet Communications, Branch

Staff recommends the Commission approve Surfnet Communications' application for a grant of up to \$2,093,539 to the California Broadband Alliance for the Branch project.

The Branch project proposes to serve an estimated 856 unserved locations based on a March 2024 supplemental application filing. There are approximately 844 unserved units in the project area. An estimated unserved population of 2,087 would be offered service. An estimated total population of 2,087 will benefit from these investments in the community of Branch. The last-mile fiber project will provide up to 1000 Mbps/1000 Mbps service to consumers.

The California Broadband Alliance will be the grant recipient and owner of the project infrastructure. The California Broadband Alliance will enter into an agreement with the applicant, Surfnet Communications, who will manage the project construction. After the project is complete, Surfnet Communications will lease access to the infrastructure from the California Broadband Alliance.

Surfnet Communications will deploy approximately two miles of last-mile fiber and 25 of middle mile and backhaul fiber. The network infrastructure will be 5 percent underground.

Surfnet Communications will provide a low-cost plan that meets the requirements in D. 22-04-055, Section 3, and has committed to maintaining the price of that plan for at least ten years.

The proposed project will cost an estimated \$2,093,539 of which the Federal Funding Account will fund approximately 100 percent of costs.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant demonstrated the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received no objections.

CD/CJ2

No Federal Funding Account Public Map comments were submitted in San Luis Obispo County. The Branch project area's unserved locations were evaluated in light of the updated Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to this data, the number of unserved locations is unchanged at 856, the project area is unchanged, and the total grant amount is unchanged. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

One letter of support was submitted for this application from the Broadband Consortium of the Pacific Coast.

The proposed project provides the public safety benefits of reliable broadband infrastructure. This project will connect to the open-access Middle-Mile Broadband Initiative. This project includes approximately 25 miles of open-access middle-mile fiber and backhaul fiber, and to connect them to the Middle-Mile Broadband Initiative.

Based on the information received, the Commission's Energy Division has determined that this project has not met the requirements for a CEQA categorial exemption at this time. Surfnet Communications and the California Broadband Alliance must comply with the CEQA requirements discussed in the appendices. If Surfnet Communications or the California Broadband Alliance provides additional documentation sufficient to justify a staff determination of CEQA exemption, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.

The California Broadband Alliance, Surfnet Communications, and the Branch project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve the application of Surfnet Communications for a grant of up to \$2,093,539 to the California Broadband Alliance for the Branch project.

# 3. Surfnet Communications, Corbett Canyon

Staff recommends the Commission approve Surfnet Communications' application for a grant of up to \$1,280,937 to the California Broadband Alliance for the Corbett Canyon project.

<sup>&</sup>lt;sup>11</sup> See Federal Funding Account Public Map, <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a> (visited August 19, 2024).

CD/CJ2

The Corbett Canyon project proposes to serve an estimated 273 unserved locations based on a March 2024 supplemental application filing. There are approximately 443 unserved units in the project area. An estimated unserved population of 989 would be offered service. An estimated total population of 2,168 will benefit from these investments in the community of Corbett Canyon. The last-mile fiber project will provide up to 1000 Mbps/1000 Mbps per second service to consumers.

The California Broadband Alliance will be the grant recipient and owner of the project infrastructure. The California Broadband Alliance will enter into an agreement with the applicant, Surfnet Communications, who will manage the project construction. After the project is complete, Surfnet Communications will lease access to the infrastructure from the California Broadband Alliance.

Surfnet Communications will deploy approximately 18 miles of last-mile fiber. The network will be 5 percent underground.

Surfnet Communications will provide a low-cost plan that meets the requirements in D. 22-04-055, Section 3, and has committed to maintaining the price of that plan for at least ten years.

The proposed project will cost an estimated \$1,280,937, of which the Federal Funding Account will fund approximately 100 percent of costs.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant demonstrated the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received one objection. Staff determined that the objector did not provide sufficient documentation to substantiate a claim that it would serve the project area. The project area of Corbett Canyon was not modified in response to objections.

No Federal Funding Account Public Map comments were submitted in San Luis Obispo County. Corbett Canyon project area's unserved locations were evaluated in light of the updated Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to objections and this data, the number of unserved locations is unchanged at 273, the project area is unchanged, and the total grant amount is unchanged. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed

<sup>&</sup>lt;sup>12</sup> See Federal Funding Account Public Map, <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a> (visited August 19, 2024).

CD/CJ2

engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

One letter of support was submitted for this application from the Broadband Consortium of the Pacific Coast.

The proposed project provides the public safety benefits of reliable broadband infrastructure and will benefit households located in High Fire Threat District 2. This project will connect to the open-access Middle-Mile Broadband Initiative.

Based on the information received, the Commission's Energy Division has determined that this project has not met the requirements for a CEQA categorial exemption at this time. Surfnet Communications and the California Broadband Alliance must comply with the CEQA requirements discussed in the appendices. If Surfnet Communications or the California Broadband Alliance provides additional documentation sufficient to justify a staff determination of CEQA exemption, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.

Surfnet Communications, the California Broadband Alliance, and the Corbett Canyon project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve the application of Surfnet Communications for a grant of up to \$1,280,937 to the California Broadband Alliance for the Corbett Canyon project.

# 4. Surfnet Communications, Old Oak Park

Staff recommends the Commission approve Surfnet Communications' application for a grant of up to \$1,550,572 to the California Broadband Alliance for the Old Oak Park project.

The Old Oak Park project proposes to serve an estimated 370 unserved locations based on a March 2024 supplemental application filing as modified by a subsequent objection. There are approximately 482 unserved units in the project area. An estimated unserved population of 1,143 would be offered service. An estimated total population of 1,688 will benefit from these investments in the community of Old Oak Park. The last-mile fiber project will provide up to 1000 Mbps/1000 Mbps service to consumers.

The California Broadband Alliance will be the grant recipient and owner of the project infrastructure. The California Broadband Alliance will enter into an agreement with the applicant, Surfnet Communications, who will manage the project construction. After the project is complete, Surfnet Communications will lease access to the infrastructure from the California Broadband Alliance.

CD/CJ2

Surfnet Communications will deploy approximately three miles of last-mile fiber and 15 miles of middle mile and backhaul fiber. The network will be 5 percent underground.

Surfnet Communications will provide a low-cost plan that meets the requirements in D. 22-04-055, Section 3, and has committed to maintaining the price of that plan for at least ten years.

The proposed project will cost an estimated \$1,550,572, of which the Federal Funding Account will fund approximately 100 percent of costs.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant demonstrated the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received one objection. Staff removed nine locations from the project that were determined to be served and reduced the proposed award to reflect fewer locations.

No Federal Funding Account Public Map comments were submitted in San Luis Obispo County. <sup>13</sup> Old Oak Park project area's unserved locations were evaluated in light of the updated Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to objections and this data, the number of unserved locations was reduced to 370, and the total grant amount was reduced to \$1,550,572. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

One letter of support was submitted for this application from the Broadband Consortium of the Pacific Coast.

The proposed project provides the public safety benefits of reliable broadband infrastructure and will benefit households located in High Fire Threat District 2. This project will connect to the open-access Middle-Mile Broadband Initiative.

Based on the information received, the Commission's Energy Division has determined that this project has not met the requirements for a CEQA categorial exemption at this time. Surfnet Communications and the California Broadband Alliance must comply with the CEQA requirements discussed in the appendices. If Surfnet Communications

<sup>&</sup>lt;sup>13</sup> See Federal Funding Account Public Map, <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a> (visited August 19, 2024).

CD/CJ2

or the California Broadband Alliance provides additional documentation sufficient to justify a staff determination of CEQA exemption, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.

Surfnet Communications, the California Broadband Alliance and the Old Oak Park project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve the application of Surfnet Communications for a grant of up to \$1,550,572 to the California Broadband Alliance for the Old Oak Park project.

# 5. City of San Luis Obispo, San Luis Obispo Affordable Broadband Network

Staff recommends the Commission approve the City of San Luis Obispo's application for a grant of up to \$4,863,799 for the San Luis Obispo Affordable Broadband Network project.

The San Luis Obispo Affordable Broadband Network project proposes to serve an estimated 490 unserved locations based on a March 2024 supplemental application filing. There are approximately 966 unserved units in the project area. An estimated unserved population of 2,011 would be offered service. An estimated total population of 13,423 will benefit from these investments in the community of San Luis Obispo. The last-mile fiber project will provide up to 1000/1000 Mbps service to consumers.

The City of San Luis Obispo will deploy approximately 5 miles of last-mile fiber. The network will be 32 percent underground.

The City of San Luis Obispo is the applicant and awardee. The City of San Luis Obispo will retain ownership and anticipates entering into an agreement with Astound to provide last mil service. This recommended award is conditioned on City of San Luis Obispo last-mile agreements that are consistent with the program requirements.

The San Luis Obispo Affordable Broadband Network project will benefit disadvantaged or Environmental and Social Justice communities; 78 percent of the unserved locations are in low-income communities. Through its contracted operator of Astound, the City of San Luis Obispo will provide a low-cost plan that meets the requirements in D. 22-04-055, Section 3, and has committed to maintaining the price of that plan for at least ten years.

The proposed project will cost an estimated \$6,074,810 of which the Federal Funding Account will fund approximately 80 percent of costs.

CD/CJ2

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant demonstrated the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received two objections. Staff determined that fragmenting the applicant's served areas is likely to threaten the fiscal and technical viability of the award. Therefore, the proposed project area remains unchanged. The Federal Final Rule and D.22-04-055 allow projects serving unserved locations to include served locations to make the project viable.

No Federal Funding Account Public Map comments were submitted in San Luis Obispo County. After Luis Obispo Affordable Broadband Network project area's unserved locations were evaluated in light of the updated Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to objections and this data, the number of unserved locations is unchanged at 490, the project area is unchanged, and the total grant amount is unchanged. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

The following submitted letters of support for this application: San Luis Coastal Unified School District, California Polytechnic State University – San Luis Obispo, Community Action Partnership of San Luis Obispo, People's Self-Help Housing, REACH the Regional Economic Action Coalition, Broadband Consortium of the Pacific Coast, San Luis Obispo Council of Governments, and the San Luis Obispo Chamber of Commerce.

The proposed project provides the public safety benefits of reliable broadband infrastructure and will benefit households located in High Fire Threat District 2. This project will connect to the open-access Middle-Mile Broadband Initiative.

Based on the information received, the Commission's Energy Division has determined that this project has not met the requirements for a CEQA categorial exemption at this time. The City of San Luis Obispo must comply with the CEQA requirements discussed in the appendices. If the City of San Luis Obispo provides additional documentation sufficient to justify a staff determination of CEQA exemption, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.

<sup>&</sup>lt;sup>14</sup> See Federal Funding Account Public Map, <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a> (visited August 19, 2024).

CD/CJ2

City of San Luis Obispo and the San Luis Obispo Affordable Broadband Network project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve the application of City of San Luis Obispo for a grant of up to \$4,863,799 for the San Luis Obispo Affordable Broadband Network project.

# 6. Surfnet Communications, Shandon

Staff recommends the Commission approve Surfnet Communications' application for a grant of up to \$722,821 to the California Broadband Alliance for the Shandon project.

The Shandon project proposes to serve an estimated 443 unserved locations based on a March 2024 supplemental application filing. There are approximately 424 unserved units in the project area. An estimated unserved population of 1,281 would be offered service. An estimated total population of 1,318 will benefit from these investments in the community of Shandon. The last-mile fiber project will provide up to 1000 Mbps/1000 Mbps per second service to consumers.

The California Broadband Alliance will be the grant recipient and owner of the project infrastructure. The California Broadband Alliance will enter into an agreement with the applicant, Surfnet Communications, who will manage the project construction. After the project is complete, Surfnet Communications will lease access to the infrastructure from the California Broadband Alliance.

Surfnet Communications will deploy approximately 6 miles of last-mile fiber. The network will be 5 percent underground.

Seven percent of the unserved locations in the Shandon project are in low-income communities. Surfnet Communications will provide a low-cost plan that meets the requirements in D. 22-04-055, Section 3, and has committed to maintaining the price of that plan for at least ten years.

The proposed project will cost an estimated \$722,821, of which the Federal Funding Account will fund approximately 100 percent of costs.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant demonstrated the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received no objections.

CD/CJ2

No Federal Funding Account Public Map comments were submitted in San Luis Obispo County. <sup>15</sup> The Shandon project area's unserved locations were evaluated in light of the updated Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to this data, the number of unserved locations is unchanged at 443, the project area is unchanged, and the total grant amount is unchanged. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

One letter of support was submitted for this application from the Broadband Consortium of the Pacific Coast.

The proposed project provides the public safety benefits of reliable broadband infrastructure. This project will connect to the open-access Middle-Mile Broadband Initiative.

Based on information that Surfnet Communications provided, the Commission's Energy Division has confirmed that the project meets the criteria for the California Environmental Quality Act (CEQA) categorical exemptions under 14 California Code of Regulations (C.C.R.) Section 15301 (Existing Facilities), 14 C.C.R Section 15303 (New Construction or Conversion of Small Structures), and 14 C.C.R Section 15304 (Minor Alterations to Land). Thus, the Shandon project is categorically exempt from CEQA review and the CPUC may authorize funds for construction activities.

Surfnet Communications, the California Broadband Alliance, and the Shandon project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve the application of Surfnet Communications for a grant of up to \$722,821 to the California Broadband Alliance for the Shandon project.

# 7. Surfnet Communications, Whitley Gardens

Staff recommends the Commission approve Surfnet Communications' application for a grant of up to \$705,378 to the California Broadband Alliance for the Whitley Gardens project.

The Whitley Gardens project proposes to serve an estimated 121 unserved locations based on a March 2024 supplemental application filing. There are approximately 131 unserved units in the project area. An estimated unserved population of 330 would be

<sup>&</sup>lt;sup>15</sup> See Federal Funding Account Public Map, <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a> (visited August 19, 2024).

CD/CJ2

offered service. An estimated total population of 332 will benefit from these investments in the community of Whitley Gardens. The last-mile fiber project will provide up to 1000 Mbps/1000 Mbps per second service to consumers.

The California Broadband Alliance will be the grant recipient and owner of the project infrastructure. The California Broadband Alliance will enter into an agreement with the applicant, Surfnet Communications, who will manage the project construction. After the project is complete, Surfnet Communications will lease access to the infrastructure from the California Broadband Alliance.

Surfnet Communications will deploy approximately two miles of last-mile fiber and one mile of middle mile fiber. The network will be 5 percent underground.

Fifteen percent of the unserved locations in the Whitley Gardens project in low-income communities. Surfnet Communications will provide a low-cost plan that meets the requirements in D. 22-04-055, Section 3, and has committed to maintaining the price of that plan for at least ten years.

The proposed project will cost an estimated \$705,378, of which the Federal Funding Account will fund approximately 100 percent of costs.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant demonstrated the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received no objections.

No Federal Funding Account Public Map comments were submitted in San Luis Obispo County. His Whitley Gardens project area's unserved locations were evaluated in light of the updated Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to this data, the number of unserved locations is unchanged at 121, the project area is unchanged, and the total grant amount is unchanged. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

One letter of support was submitted for this application from the Broadband Consortium of the Pacific Coast.

<sup>&</sup>lt;sup>16</sup> See Federal Funding Account Public Map, <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a> (visited August 19, 2024).

CD/CJ2

The proposed project provides the public safety benefits of reliable broadband infrastructure. This project will connect to the open-access Middle-Mile Broadband Initiative.

Based on the information received, the Commission's Energy Division has determined that this project has not met the requirements for a CEQA categorial exemption at this time. Surfnet Communications and the California Broadband Alliance must comply with the CEQA requirements discussed in the appendices. If Surfnet Communications or the California Broadband Alliance provides additional documentation sufficient to justify a staff determination of CEQA exemption, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.

Surfnet Communications, the California Broadband Alliance, and the Whitley Gardens project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve the application of Surfnet Communications for a grant of up to \$705,378 to the California Broadband Alliance for the Whitley Gardens project.

# Comments

In compliance with Public Utilities Code Section 311(g)(1), a Notice of Availability of this draft resolution was e-mailed on September 12, 2024, informing all parties on the CASF Distribution List and the R. 20-09-001 Service List of the availability of the draft of this Resolution, and of the opportunity to comment, at the Commission's website at <a href="http://www.cpuc.ca.gov/">http://www.cpuc.ca.gov/</a>.

Resolution comments were submitted on October 2, 2024, by Charter.

#### **Charter's Comments**

Charter requests the removal of locations which Staff acknowledge are currently served. They state that they believe this to be approximately 85 percent of locations in the project area, and that there is no evidence that proves building to the currently served locations is essential for the rest of the project. Charter requests substantial evidence that proves how deploying to served locations is essential for the viability of the project, and states that, if the Commission cannot prove that the served locations are necessary, then they should be removed.

# **Staff Response to Comments**

With regards to Charter's comments, all entities were given an opportunity to object to proposed applications and provide detailed data under the program rules. Charter's comments to this resolution reiterated the objections that Charter submitted during the

CD/CJ2

28-day objection period that lasted from October 23, 2023 to November 20, 2023. The comments do not present new or updated information. The City of San Luis Obispo submitted a thorough response to Charter's objection on December 6, 2023, that analyzed residents' inequitable access to broadband, showed that some neighborhoods are unserved, and argued that Charter does not provide reliable and affordable service at the locations that are considered served. In response to Charter's objections, Staff reexamined Charter's contentions that it already provides reliable high-speed broadband service to the locations where Charter submitted objections, and determined that the San Luis Obispo Affordable Broadband Network project could not feasibly serve the unserved locations in the project area without including the disputed locations. Furthermore, the San Luis Obispo Affordable Broadband Network project will provide reliable, low-cost broadband service in a disadvantaged community, benefitting served and unserved households alike. Staff has not modified the San Luis Obispo Affordable Broadband Network project area, grant amount, or locations in response to comments on the Resolution.

Nonetheless, Staff will confer with the City of San Luis Obispo regarding the specific locations to be provided service for the San Luis Obispo Affordable Broadband Network, which will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

# IV. COMPLIANCE REQUIREMENTS

Awardees are required to comply with all the guidelines, requirements, and conditions associated with the grant of Federal Funding Account awards as specified in D.22-04-055. All Awardees are also required to sign a consent form agreeing to the terms and conditions of the Federal Funding Account. Such compliance includes, but is not limited to, the items noted below.

A. Deployment Schedule: All CEQA-exempt projects must be completed within 18 months, and all other projects shall be completed within 24 months after receiving authorization to construct.

B. Pricing: By accepting these awards, the Awardees commit to serve customers in the project area at prices not exceeding those provided in the application for five years after project completion. Awardees who committed not to increase prices for a period of ten years in their application commit to serve customers in the project area for ten years after project completion. Should the need arise for grant recipients to adjust prices due to externalities outside their control (*e.g.* inflation), grant recipients may file and serve, on the R. 20-09-001 proceeding service list, a request to modify this requirement with the Communications Division.

CD/CJ2

- C. Speed and Latency: All households in the proposed project areas must be offered a broadband internet service plan with speeds of at least 100 megabits per second megabits per second download and 100 megabits per second upload, with not more than 100 milliseconds of latency.
- D. Affordability: All projects shall participate in the Affordable Connectivity Program or otherwise provide access to a broad-based affordability program to low-income customers in the proposed service area of the broadband infrastructure that provides benefits to households commensurate with those provided under the Affordable Connectivity Program. Should the Affordable Connectivity Program end, the Commission will identify a successor low-income subsidy program in which participants must participate. Awardees must participate in a successor to the Affordable Connectivity Program identified after the grant is awarded.
- E. Project Audit: The Commission has the right to conduct any necessary audit, verification, and discovery during project implementation/construction to ensure that Federal Funding Account funds are spent in accordance with Commission approval. All recipients of federally funded grants exceeding \$750,000 will need to include a budget for a federal audit.<sup>17</sup>
- F. Reporting Requirements: Numerous post-award reports are required. In summary, these include monthly contractor reports (if applicable), quarterly progress reports, and a final completion report.<sup>18</sup>
- G. Prevailing Wage: Section 1720 of the California Labor Code requires Federal Funding Account projects be subject to prevailing wage requirements.<sup>19</sup> Applicants accepting Federal Funding Account awards are committing to follow state prevailing wage requirements with regards to their projects.
- H. Payments to Federal Funding Account Recipients: The Commission may reimburse Awardees' expenses in accordance with Public Utilities Code Section 281(n)(2), D.22-04-055, and the Appendix. Requests for payments may be submitted as the project is progressively deployed. The prerequisite for first payment is the submittal of a progress report to the Commission showing that a minimum of ten percent of the project (as determined by budget spent) has been completed. Subsequent payments may be made

<sup>&</sup>lt;sup>17</sup> Treasury, Compliance and Reporting Guidance State and Local Fiscal Recovery Funds (November 15, 2021 Version 2.1), available at <a href="https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf">https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf</a>.

<sup>&</sup>lt;sup>18</sup> D. 22-04-055, Appendix A, Section 14.

<sup>&</sup>lt;sup>19</sup> D.22-054-055, Section 13.2, page 57.

CD/CJ2

upon at least 25 percent intervals, with the final 15 percent payment request (from 85 to 100 percent) not eligible for payment without an approved completion report. Payments are based on submitted receipts, invoices and other supporting documentation showing expenditures incurred for the project in accordance with the approved Federal Funding Account budget included in the awardee's application.

# **FINDINGS OF FACT**

- 1. California's multi-year broadband infrastructure investments in the Budget Act of 2021 and Senate Bill 156 (Statutes 2021, Chapters 84 and 112) provided \$2 billion over multiple years to the Last Mile Federal Funding Account to facilitate, via reimbursement, construction of last mile broadband infrastructure projects to connect unserved Californians.
- 2. On April 21, 2022, the Commission approved Decision 22-04-055, which along with the Federal Final Rule, established the Last Mile Federal Funding Account and set program rules.
- 3. The Communications Division opened an application window for the Federal Funding Account on June 30, 2023, and closed it on September 29, 2023. Applicants submitted 484 applications before the deadline. Application summaries were posted on October 23, 2023, and a 28-day objection window closed on November 20, 2023. Responses to objections were received until December 20, 2023.
- 4. Astound submitted an application for the Atascadero Paso Robles project on September 29, 2023.
- 5. Surfnet Communications submitted applications for the Branch, Corbett Canyon, Old Oak Park, Shandon, and Whitley Gardens projects on September 29, 2023.
- 6. The City of San Luis Obispo submitted an application for the project on September 29, 2023.
- 7. Applicants responded to a supplemental data request that was due on March 12, 2024, providing information on project route miles, poles, unserved locations, middle-mile connectivity, and other updated project specific information.
- 8. The Commission has determined that Surfnet Communications' Shandon project is categorically exempt from California Environmental Quality Act (CEQA) review pursuant to CEQA Guidelines at 14 California Code of Regulations (C.C.R.) Section 15301 regarding exemption for existing facilities, 14 C.C.R. Section 15303 regarding new construction or conversion of small structures, and 14 C.C.R. Section 15304,

CD/CJ2

which consists of minor public or private alterations in the condition of land.

- 9. The Commission has determined that Astound's Atascadero Paso Robles project is not categorically exempt from California Environmental Quality Act review at this time.
- 10. The Commission has determined that Surfnet Communications' Branch, Corbett Canyon, Old Oak Park, Shandon, and Whitley Gardens projects are not categorically exempt from California Environmental Quality Act review at this time.
- 11. The Commission has determined that the City of San Luis Obispo's San Luis Obispo Affordable Broadband Network project is not categorically exempt from California Environmental Quality Act review at this time.
- 12. Communications Division staff analyzed the applications for compliance with Commission and Federal rules, reviewed local feedback, and conducted fiscal and technical analysis.
- 13. All applications listed above met minimum eligibility requirements provided in Decision 22-04-055.
- 14. Staff recommends approval of the applications in this resolution, as they comply with program rules as stated and contribute to the Federal Funding Account's goal of building broadband internet infrastructure to communities without access to internet service at sufficient and reliable speeds.
- 15. Draft Resolution T-17852 was emailed to the CASF Distribution List and the R. 20-09-001 Service List on September 12, 2024, in compliance with Public Utilities Code Section 311(g)(1).

## THERFORE, IT IS ORDERED that:

- 1. The Commission shall award up to \$6,794,215 in Federal Funding Account funds to Astound in order to complete the Atascadero Paso Robles project, as described in the appendices. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.
- 2. The Commission shall award up to \$2,093,539 in Federal Funding Account funds to the California Broadband Alliance in order to complete the Branch project, as

CD/CJ2

described in the appendices. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

- 3. The Commission shall award up to \$1,280,937 in Federal Funding Account funds to the California Broadband Alliance in order to complete the Corbett Canyon project, as described in the appendices. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.
- 4. The Commission shall award up to \$1,550,572 in Federal Funding Account funds to the California Broadband Alliance in order to complete the Old Oak Park project, as described in the appendices. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.
- 5. The Commission shall award up to \$4,863,799 in Federal Funding Account funds to the City of San Luis Obispo in order to complete the San Luis Obispo Affordable Broadband Network project, as described in the appendices. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.
- 6. The Commission shall award up to \$722,821 in Federal Funding Account funds to the California Broadband Alliance in order to complete the Shandon project, as described in the appendices. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.
- 7. The Commission shall award up to \$705,378 in Federal Funding Account funds to the California Broadband Alliance in order to complete the Whitley Gardens project, as described in the appendices. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

CD/CJ2

- 8. To ensure compliance with all program rules and guidelines, the Commission will not release funds to an applicant, including but not limited to the California Broadband Alliance and the City of San Luis Obispo, proposing to enter into agreement(s) with a third party or third parties for the ownership, operation, and/or leasing of the proposed infrastructure or network until the applicant provides the Commission with an advanced copy of the agreement document(s) as well as any signed agreements.
- 9. Applicants that committed to provide voice and/or Lifeline service must provide voice service and participate in LifeLine for five years after project completion in Federal Funding Account project areas.
- 10. For those projects not determined to be categorically exempt, the Commission cannot release funds for construction activities until California Environmental Quality Act (CEQA) review is complete. The awardees must comply with the requirements set forth in the CEQA Section of the Resolution. The awardees must provide their Proponent's Environmental Assessment for each project prior to the first payment.
- 11. Awardee(s) shall comply with all guidelines, requirements, and conditions set forth in this resolution.
- 12. When a successor to the Affordable Connectivity Program is identified by the Commission, all awardees shall participate in that program.
- 13. All construction covered by the grant must be completed within the applicable 18-month or 24-month time frame. In the event of extenuating circumstances jeopardizing this timeline, the Awardee(s) must notify the Communications Division's Director as soon as they become aware of any delay. If such notice is not provided, staff can take corrective actions including reducing payment for failure to satisfy this requirement.
- 14. If the awardee(s) fail to complete the project(s) in accordance with the terms outlined in Decision 22-04-055 and with the terms of the Commission's approval, as set forth in this resolution, awardees must reimburse some or all the Federal Funding Account grants received or take other corrective action.
- 15. If staff evaluation finds any of the projects can be exempt from the California Environmental Quality Act, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.
- 16. The effective date of each award and encumbrance of funds is to be set, in consultation with the Applicant, by letter from the Communications Division

CD/CJ2

Director or the director's delegate or designee. All awards are contingent on available state budget appropriations funding.

This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on October 17, 2024, the following Commissioners voting favorable thereon:

/s/ RACHEL PETERSON

Rachel Peterson

Executive Director

ALICE REYNOLDS

President

DARCIE L. HOUCK

JOHN REYNOLDS

KAREN DOUGLAS

MATTHEW BAKER

Commissioners

## **APPENDIX A**

# California Broadband Alliance and Surfnet Communications California Environmental Quality Act Compliance Requirements

The following Surfnet Communications project is categorically exempt from California Environmental Quality Act (CEQA) review:

## - Shandon

For the Shandon project located in unincorporated San Luis Obispo County, the CPUC was provided with project plans to construct six miles of fiber optic cable. The project includes 95 percent aerial installation on existing poles, and five percent underground. Underground installation will be located in existing rights-of-way and utility easements and will avoid previously undisturbed ground. Aerial installation will occur on existing support structures and in compliance with CPUC GO 95 loading requirements.

Based on information that Surfnet Communications provided, the CPUC's Energy Division has confirmed that the project meets the criteria for the CEQA categorical exemptions under 14 C.C.R Section 15301 (Existing Facilities), 14 C.C.R Section 15303 (New Construction or Conversion of Small Structures), and 14 C.C.R Section 15304 (Minor Alterations to Land). Thus, the Shandon project is categorically exempt from CEQA review and the CPUC may authorize funds for construction activities.

#### **APPENDIX B**

# Astound California Environmental Quality Act Compliance Requirements

The following Astound project is subject to California Environmental Quality Act (CEQA) review:

#### • Atascadero - Paso Robles

The Commission must complete CEQA review prior to disbursing Federal Funding Account funds for construction activities. The initial funding granted in this Resolution may be used for project development and other Astound activities that do not involve construction or any activities that would have any direct or indirect effect on the physical environment.

Prior to any construction activity for the project, Astound is required to seek further authority from the Commission for such activity by filing a Proponent's Environmental Assessment (PEA) pursuant to Commission Rule of Practice and Procedure 2.4; and must undergo an environmental review pursuant to CEQA (California Public Resources Code § 21000 et seq.).

Astound should contact the Supervisor of the Commission's Energy Division CEQA Unit well in advance of a contemplated filing to (a) consult with staff regarding the process of developing and filing a PEA; (b) provide for cost recovery per Rule of Practice and Procedure 2.5; and (c) enter into a Memorandum of Understanding to allow the Energy Division to initiate the retention of an environmental contractor to perform the environmental review.

Astound must provide a PEA prior to the first payment. The Commission cannot release funds for the construction phase of this project until the Commission has completed CEQA review.

#### APPENDIX C

# California Broadband Alliance and Surfnet Communications California Environmental Quality Act Compliance Requirements

The following Surfnet Communications projects are subject to California Environmental Quality Act (CEQA) review:

- Branch
- Corbett Canyon
- Old Oak Park
- Whitley Gardens

The Commission must complete CEQA review prior to disbursing Federal Funding Account funds for construction activities. The initial funding granted in this Resolution may be used for project development and other Surfnet Communications or California Broadband Alliance activities that do not involve construction or any activities that would have any direct or indirect effect on the physical environment.

Prior to any construction activity for the project, Surfnet Communications and the California Broadband Alliance are required to seek further authority from the Commission for such activity by filing a Proponent's Environmental Assessment (PEA) pursuant to Commission Rule of Practice and Procedure 2.4; and must undergo an environmental review pursuant to CEQA (California Public Resources Code § 21000 et seq.).

The California Broadband Alliance and Surfnet Communications should contact the Supervisor of the Commission's Energy Division CEQA Unit well in advance of a contemplated filing to (a) consult with staff regarding the process of developing and filing a PEA; (b) provide for cost recovery per Rule of Practice and Procedure 2.5; and (c) enter into a Memorandum of Understanding to allow the Energy Division to initiate the retention of an environmental contractor to perform the environmental review.

The California Broadband Alliance and Surfnet Communications must provide a PEA prior to the first payment. The Commission cannot release funds for the construction phase of this project until the Commission has completed CEQA review.

#### APPENDIX D

# City of San Luis Obispo California Environmental Quality Act Compliance Requirements

The following City of San Luis Obispo project is subject to California Environmental Quality Act (CEQA) review:

San Luis Obispo Affordable Broadband Network

The Commission must complete CEQA review prior to disbursing Federal Funding Account funds for construction activities. The initial funding granted in this Resolution may be used for project development and other City of San Luis Obispo activities that do not involve construction or any activities that would have any direct or indirect effect on the physical environment.

Prior to any construction activity for the project, the City of San Luis Obispo is required to seek further authority from the Commission for such activity by filing a Proponent's Environmental Assessment (PEA) pursuant to Commission Rule of Practice and Procedure 2.4; and must undergo an environmental review pursuant to CEQA (California Public Resources Code § 21000 et seq.).

The City of San Luis Obispo should contact the Supervisor of the Commission's Energy Division CEQA Unit well in advance of a contemplated filing to (a) consult with staff regarding the process of developing and filing a PEA; (b) provide for cost recovery per Rule of Practice and Procedure 2.5; and (c) enter into a Memorandum of Understanding to allow the Energy Division to initiate the retention of an environmental contractor to perform the environmental review.

The City of San Luis Obispo must provide a PEA prior to the first payment. The Commission cannot release funds for the construction phase of this project until the Commission has completed CEQA review.

# APPENDIX E Astound Service Plans

As a condition of the grant awards in this Resolution, Astound is obligated to offer service to customers in the project areas of the listed projects at no less than the speeds in the Table below, no more than 100 milliseconds of latency, and no more than the prices<sup>20</sup> in the Table below, including installation, for at least ten years following project completion:

## • Atascadero - Paso Robles

Plan	Speed	Price in 2024 Dollars	Notes
Internet First	50/50 Mbps	\$10/month	Customers must provide documentation showing eligibility for a qualifying program. <sup>21</sup>
Low-Cost Plan	100/100 Mbps	\$40/month	-
1 Gig Internet	1,000/1,000 Mbps	\$80/month	-
2 Gig Internet	2,000/2,000 Mbps	\$129.95/month	-

As a condition of the grant awards in this Resolution, Astound has committed to provide LifeLine-discounted voice service in the project area listed.

<sup>&</sup>lt;sup>20</sup> Prices may increase at no more than the rate of inflation, defined by the Consumer Price Index.

<sup>&</sup>lt;sup>21</sup> Qualifying programs/income thresholds include: Medicaid; Public Housing Assistance; Unemployment; Supplemental Nutrition Assistance Program; Temporary Assistance for Needy Families; Supplemental Security Income; National School Lunch Program or Head Start; Low Income Home Energy Assistance Program; the Special Supplemental Nutrition Program for Women, Infants and Children; Federal Pell Grants; Veterans Administration Pensions; Tribal Assistance, including Tribal Temporary Assistance to Needy Families and Food Distribution Program on Indian Reservations.

#### **APPENDIX F**

# California Broadband Alliance and Surfnet Communications Service Plans

As a condition of the grant awards in this Resolution, the California Broadband Alliance and Surfnet Communications are obligated to offer service to customers in the project areas of the listed projects at no less than the speeds in the Table below, no more than 100 milliseconds of latency, and no more than the prices<sup>22</sup> in the Table below, including installation, for at least ten years following project completion.

- Branch
- Corbett Canyon
- Old Oak Park
- Shandon
- Whitley Gardens

Plan	Speed	Price in 2024 Dollars	Notes
Low-Cost	50/20 Mbps	\$40/month	-
Plan			
Standard	200/200 Mbps	\$90/month	-
Plan			
Premium	1,000/1,000	\$150/month	-
Plan	Mbps		

<sup>&</sup>lt;sup>22</sup> Prices may increase at no more than the rate of inflation, defined by the Consumer Price Index.

# APPENDIX G City of San Luis Obispo Service Plans

As a condition of the grant awards in this Resolution, the City of San Luis Obispo is obligated to offer service to customers in the project areas of the listed projects at no less than the speeds in the Table below, no more than 100 milliseconds of latency, and no more than the prices<sup>23</sup> in the Table below, including installation, for at least ten years following project completion.

# • San Luis Obispo Affordable Broadband Network

Plan	Speed	Price in 2024	Notes
		Dollars	
Internet First	50/50	\$9.99/month	Customers must provide
	Mbps		documentation showing
			eligibility for a qualifying
			program. <sup>24</sup>
Low-Cost Plan	100/100	\$40/month	-
	Mbps		
1 Gig Internet	1/1 Gbps	\$80/month	-

<sup>&</sup>lt;sup>23</sup> Prices may increase at no more than the rate of inflation, defined by the Consumer Price Index.

<sup>&</sup>lt;sup>24</sup> Qualifying programs/income thresholds include: Medicaid; Public Housing Assistance; Unemployment; Supplemental Nutrition Assistance Program; Temporary Assistance for Needy Families; Supplemental Security Income; National School Lunch Program or Head Start; Low Income Home Energy Assistance Program; the Special Supplemental Nutrition Program for Women, Infants and Children; Federal Pell Grants; Veterans Administration Pensions; Tribal Assistance, including Tribal Temporary Assistance to Needy Families and Food Distribution Program on Indian Reservations.

# APPENDIX H Atascadero – Paso Robles Project Key Information

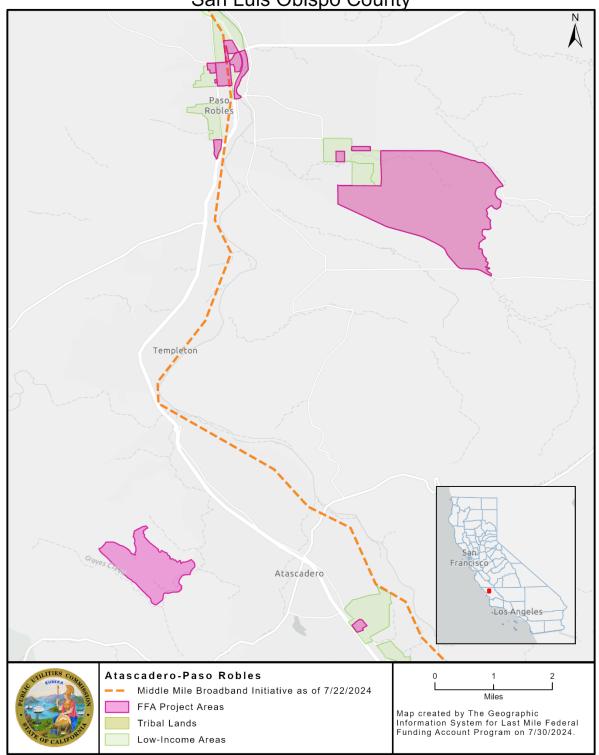
Project Name	Atascadero-Paso Robles
Applicant Name	Astound Broadband, LLC
Community Names	City of Atascadero, City of El Paso de Robles
County	San Luis Obispo County
County Allocation	\$22,346,936
Project Size (in square miles)	9
Maximum Download/Upload speed	2000 Mbps/2000 Mbps
Lowest cost plan (non-income qualified)	\$40 for 100/100 Mbps
Low-income plan	\$10 for 50/50 Mbps
Low-cost plan	\$40 for 50/20 Mbps minimum
LifeLine Participation	Yes
Percent Disadvantaged Communities	0 percent
Percent Low-Income Areas	49 percent
Median Household Income (weighted)	\$53,730
Area Households	767
Area Population	2498
Estimated locations within 1000 feet of the project area (location passings)	2511
Estimated units within 1000 feet of the project area (unit passings)	3775
Unserved locations proposed to be served by the project	201
Unserved locations in the project area	192
Unserved units in the project area	252
Estimated unserved population in the project area	800

# CD/CJ2

Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	26
Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	86
Community Anchor Institutions benefitting from the project	7
Public safety locations benefitting from the project	1
Does the project connect to public open access middle mile?	No
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	0
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$0
Grant costs for last-mile delivery	\$6,794,215
Deployment Schedule	15 Months
Total Project Cost	\$6,794,215
Amount of FFA grant funds requested	\$6,794,215
Applicant funded	\$0
Grant (excluding middle mile) per unserved unit in the project area	\$26,961
Grant (excluding middle mile) per unit passing	\$1,800

Map of Atascadero - Paso Robles

Astound Broadband - Atascadero-Paso Robles-San Luis Obispo County



# APPENDIX I Branch Project Key Information

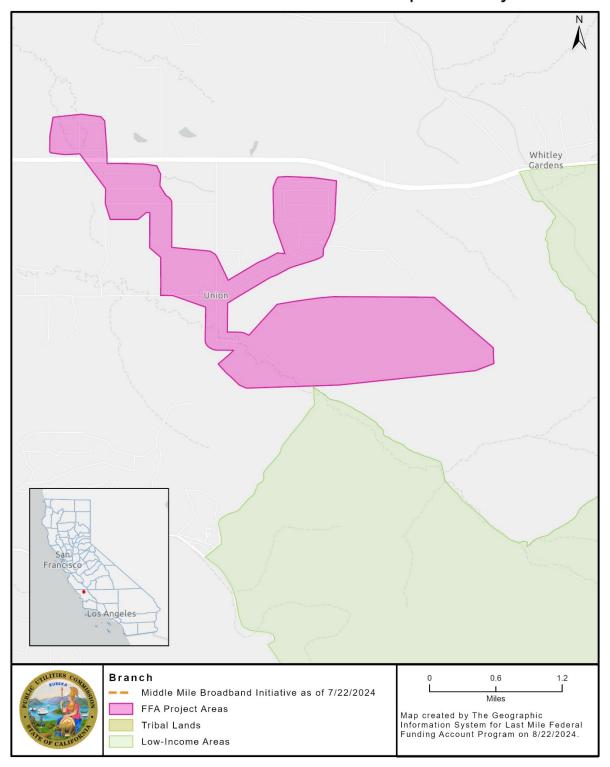
Project Name	Branch
Applicant Name	Surfnet Communications, Inc.
Community Names	Branch
County	San Luis Obispo
County Allocation	\$22,346,936
Project Size (in square miles)	5
Maximum Download/Upload speed	1000 Mbps/ 1000 Mbps
Lowest cost plan (non-income qualified)	\$40 for 50/20 Mbps minimum
Low-income plan	\$15 for 200/200 Mbps
Low-cost plan	\$40 for 50/20 Mbps minimum
LifeLine Participation	No
Percent Disadvantaged Communities	0 percent
Percent Low-Income Areas	0 percent
Median Household Income (weighted)	\$106,050
Area Households	799
Area Population	2087
Estimated locations within 1000 feet of the project area (location passings)	869
Estimated units within 1000 feet of the project area (unit passings)	888
Unserved locations proposed to be served by the project	856
Unserved locations in the project area	827
Unserved units in the project area	844
Estimated unserved population in the project area	2087

# CD/CJ2

Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	17
Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	34
Community Anchor Institutions benefitting from the project	2
Public safety locations benefitting from the project	0
Does the project connect to public open access middle mile?	Yes
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	24.8
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$0
Grant costs for last-mile delivery	\$2,093,539
Deployment Schedule	18 Months
Total Project Cost	\$2,093,539
Amount of FFA grant funds requested	\$2,093,539
Applicant funded	\$0
Grant (excluding middle mile) per unserved unit in the project area	\$2,480
Grant (excluding middle mile) per unit passing	\$2,358

Map of Branch

Surfnet- Branch- San Luis Obispo County



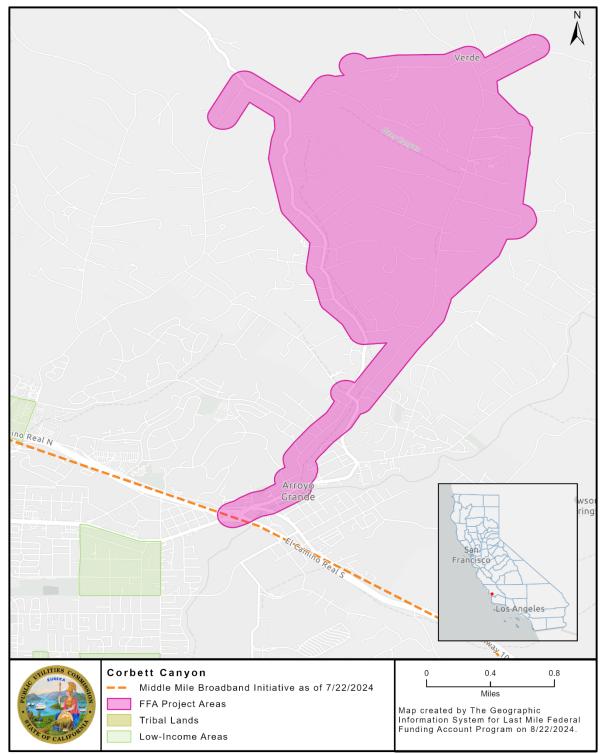
# APPENDIX J Corbett Canyon Project Key Information

Project Name	Corbett Canyon
Applicant Name	Surfnet Communications, Inc.
Community Names	Corbett Canyon
County	San Luis Obispo
County Allocation	\$22,346,936
Project Size (in square miles)	5
Maximum Download/Upload speed	1000 Mbps/ 1000 Mbps
Lowest cost plan (non-income qualified)	\$40 for 50/20 Mbps minimum
Low-income plan	\$15 for 200/200 Mbps
Low-cost plan	\$40 for 50/20 Mbps minimum
LifeLine Participation	No
Percent Disadvantaged Communities	0 percent
Percent Low-Income Areas	0 percent
Median Household Income (weighted)	\$89,567
Area Households	788
Area Population	2168
Estimated locations within 1000 feet of the project area (location passings)	1307
Estimated units within 1000 feet of the project area (unit passings)	1771
Unserved locations proposed to be served by the project	273
Unserved locations in the project area	317
Unserved units in the project area	443
Estimated unserved population in the project area	989

Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	68
Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	194
Community Anchor Institutions benefitting from the project	2
Public safety locations benefitting from the project	0
Does the project connect to public open access middle mile?	Yes
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	18
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$0
Grant costs for last-mile delivery	\$1,280,937
Deployment Schedule	18 Months
Total Project Cost	\$1,280,937
Amount of FFA grant funds requested	\$1,280,937
Applicant funded	\$0
Grant (excluding middle mile) per unserved unit in the project area	\$2,892
Grant (excluding middle mile) per unit passing	\$723

Map of Corbett Canyon

Surfnet- Corbett Canyon- San Luis Obispo County

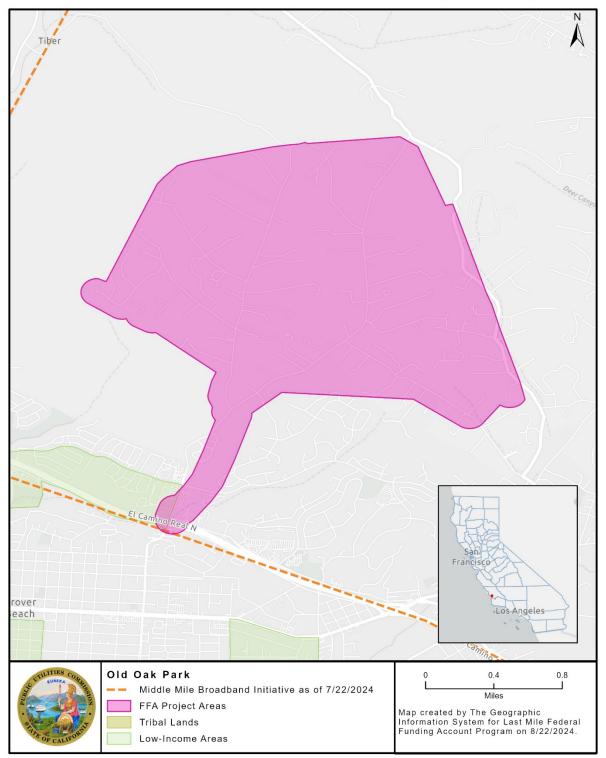


# APPENDIX K Old Oak Park Project Key Information

Project Name	Old Oak Park
Applicant Name	Surfnet Communications, Inc.
Community Names	Old Oak Park
County	San Luis Obispo
County Allocation	\$22,346,936
Project Size (in square miles)	5
Maximum Download/Upload speed	1000 Mbps/ 1000 Mbps
Lowest cost plan (non-income qualified)	\$40 for 50/20 Mbps minimum
Low-income plan	\$15 for 200/200 Mbps
Low-cost plan	\$40 for 50/20 Mbps minimum
LifeLine Participation	No
Percent Disadvantaged Communities	0 percent
Percent Low-Income Areas	0 percent
Median Household Income (weighted)	\$89,567
Area Households	689
Area Population	1688
Estimated locations within 1000 feet of the project area (location passings)	1073
Estimated units within 1000 feet of the project area (unit passings)	1329
Unserved locations proposed to be served by the project	370
Unserved locations in the project area	362
Unserved units in the project area	482
Estimated unserved population in the project area	1143

Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	68
Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	188
Community Anchor Institutions benefitting from the project	6
Public safety locations benefitting from the project	0
Does the project connect to public open access middle mile?	Yes
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	14.82
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$0
Grant costs for last-mile delivery	\$1,550,572
Deployment Schedule	18 Months
Total Project Cost	\$1,550,572
Amount of FFA grant funds requested	\$1,550,572
Applicant funded	\$0
Grant (excluding middle mile) per unserved unit in the project area	\$3,217
Grant (excluding middle mile) per unit passing	\$1,167

Map of Old Oak Park Project
Surfnet- Old Oak Park- San Luis Obispo County



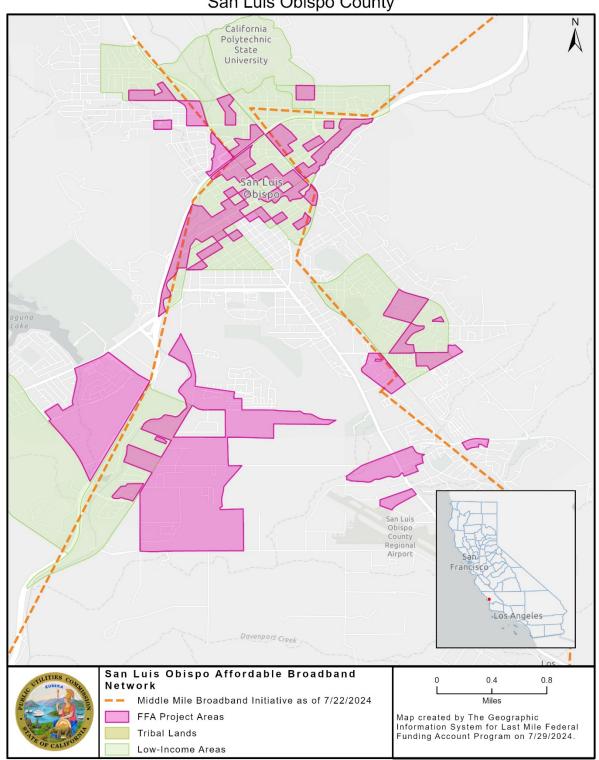
# APPENDIX L San Luis Obispo Affordable Broadband Network Project Key Information

Project Name	San Luis Obispo Affordable Broadband Network
Applicant Name	City of San Luis Obispo
Community Names	San Luis Obispo
County	San Luis Obispo
County Allocation	\$22,346,936
Project Size (in square miles)	3
Maximum Download/Upload speed	1000 Mbps/ 1000 Mbps
Lowest cost plan (non-income qualified)	\$40 for 100/100 Mbps
Low-income plan	\$9.99 for 50/50 Mbps
Low-cost plan	\$40 for 50/20 Mbps Minimum
LifeLine Participation	No
Percent Disadvantaged Communities	0 percent
Percent Low-Income Areas	78 percent
Median Household Income (weighted)	\$56,866
Area Households	4566
Area Population	13423
Estimated locations within 1000 feet of the project area (location passings)	7968
Estimated units within 1000 feet of the project area (unit passings)	16205
Unserved locations proposed to be served by the project	490
Unserved locations in the project area	487
Unserved units in the project area	966

Estimated unserved population in the project area	2011
Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	184
Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	663
Community Anchor Institutions benefitting from the project	37
Public safety locations benefitting from the project	4
Does the project connect to public open access middle mile?	Yes
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	0
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$0
Grant costs for last-mile delivery	\$4,863,799
Deployment Schedule	18 Months
Total Project Cost	\$6,074,810
Amount of FFA grant funds requested	\$4,863,799
Applicant funded	\$1,211,011
Grant (excluding middle mile) per unserved unit in the project area	\$5,035
Grant (excluding middle mile) per unit passing	\$300

# Map of San Luis Obispo Affordable Broadband Network

City of San Luis Obispo- San Luis Obispo Affordable Broadband Network-San Luis Obispo County



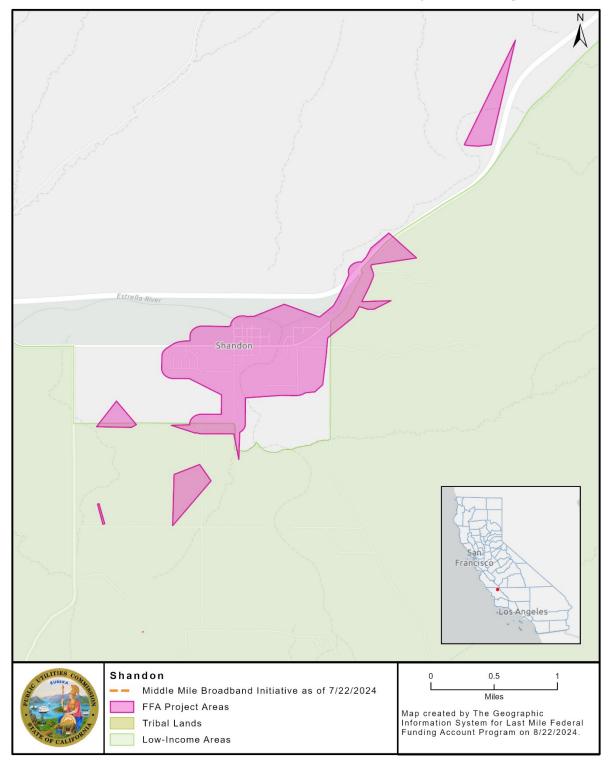
# APPENDIX M Shandon Project Key Information

Project Name	Shandon
Applicant Name	Surfnet Communications, Inc.
Community Names	Shandon
County	San Luis Obispo
County Allocation	\$22,346,936
Project Size (in square miles)	2
Maximum Download/Upload speed	1000 Mbps/ 1000 Mbps
Lowest cost plan (non-income qualified)	\$40 for 50/20 Mbps minimum
Low-income plan	\$15 for 200/200 Mbps
Low-cost plan	\$40 for 50/20 Mbps minimum
LifeLine Participation	No
Percent Disadvantaged Communities	0 percent
Percent Low-Income Areas	4 percent
Median Household Income (weighted)	\$72,860
Area Households	422
Area Population	1318
Estimated locations within 1000 feet of the project area (location passings)	432
Estimated units within 1000 feet of the project area (unit passings)	455
Unserved locations proposed to be served by the project	443
Unserved locations in the project area	403
Unserved units in the project area	424
Estimated unserved population in the project area	1281

Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	21
Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	42
Community Anchor Institutions benefitting from the project	10
Public safety locations benefitting from the project	3
Does the project connect to public open access middle mile?	Yes
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	6
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$0
Grant costs for last-mile delivery	\$722,821
Deployment Schedule	18 Months
Total Project Cost	\$722,821
Amount of FFA grant funds requested	\$722,821
Applicant funded	\$0
Grant (excluding middle mile) per unserved unit in the project area	\$1,705
Grant (excluding middle mile) per unit passing	\$1,589

**Map of Shandon Project** 

# Surfnet- Shandon- San Luis Obispo County

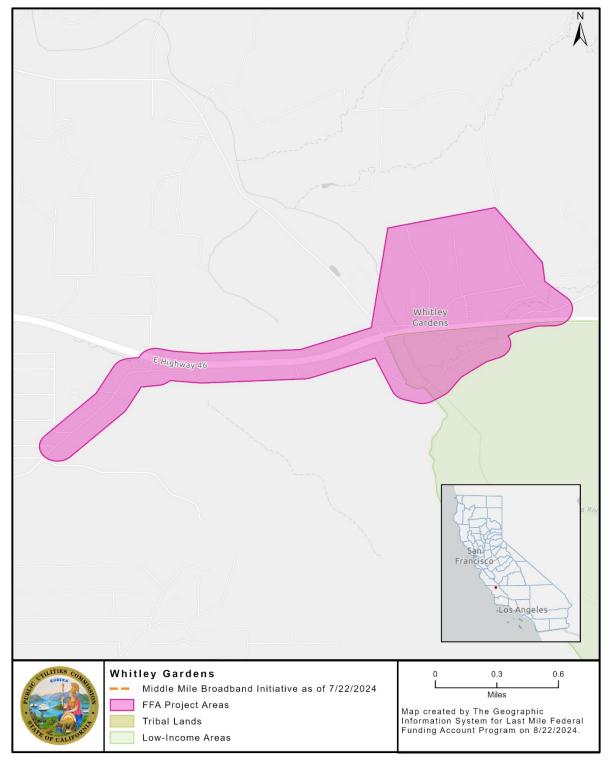


# APPENDIX N Whitley Gardens Project Key Information

Project Name	Whitley Gardens
Applicant Name	Surfnet Communications, Inc.
Community Names	Whitley Gardens
County	San Luis Obispo
County Allocation	\$22,346,936
Project Size (in square miles)	2
Maximum Download/Upload speed	1000 Mbps/ 1000 Mbps
Lowest cost plan (non-income qualified)	\$40 for 50/20 Mbps minimum
Low-income plan	\$15 for 200/200 Mbps
Low-cost plan	\$40 for 50/20 Mbps minimum
LifeLine Participation	No
Percent Disadvantaged Communities	0 percent
Percent Low-Income Areas	15 percent
Median Household Income (weighted)	\$86,087
Area Households	128
Area Population	332
Estimated locations within 1000 feet of the project area (location passings)	160
Estimated units within 1000 feet of the project area (unit passings)	171
Unserved locations proposed to be served by the project	121
Unserved locations in the project area	123
Unserved units in the project area	131
Estimated unserved population in the project area	330

Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	8
Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	16
Community Anchor Institutions benefitting from the project	0
Public safety locations benefitting from the project	0
Does the project connect to public open access middle mile?	Yes
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	1.35
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$0
Grant costs for last-mile delivery	\$705,378
Deployment Schedule	18 Months
Total Project Cost	\$705,378
Amount of FFA grant funds requested	\$705,378
Applicant funded	\$0
Grant (excluding middle mile) per unserved unit in the project area	\$5,385
Grant (excluding middle mile) per unit passing	\$4,125

Map of Whitley Garden Project
Surfnet- Whitley Gardens- San Luis Obispo County



# **APPENDIX O**

# California Public Utilities Commission Federal Funding Account, Last Mile Program Guidance to Staff Regarding CONSENT FORM

#### **Acknowledgement and Acceptance of Terms**

Awardee Name:	
Key Project Contact:	
Project Name:	
The Awardee identified above acknowledges receipt of the California Public Utilities Commission Resolution or Award Letter and agrees to comply with all grant terms, conditions, and requirements sorth in the Resolution or Award Letter and those in the Federal Funding Account, Last Mile programules. Awards are contingent on available state budget appropriations funding.	set
Undersigned representative of [Name of Awardee] is duly nuthorized to execute this Consent Form on behalf of the Awardee and to bind the Awardee to the erms, conditions, and requirements set forth in California Public Utilities Commission Resolution or Award Letter and those in the Federal Funding Account, Last Mile program rules.	
Dated this day of, 20	
signature of Awardee Representative:	
itle	
Printed Name	
Name of Representative's Organization:	
Business Address:	
Street address, suite/apt. number	
City, state, and ZIP Code	
elephone Number:	
Email Address:	