

Last Mile Broadband CPUC Funding Programs to Close the Digital Divide







California Public Utilities Commission

Overview of Program

- Opening Remarks- Chris Moore
- Funding Programs, Goals and Timelines Rob Osborn
- Q&A and Discussion
- Closing Comments

Questions?

Please type your questions in the chat box at any time during the presentation.



Please only submit questions that are relevant to the topic being presented.



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✓ Chat



CPUC News and Outreach Office

Business and Community Outreach Liaisons



Build relationships with stakeholders Allow two-way communication Implement the CPUC's policies externally and help shape policy internally

- Community Based Organizations
- Local Governments
- Local Business Groups
- Diverse Organizations

CPUC Broadband Initiatives Update

Robert Osborn California Public Utilities Commission June 1, 2022



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Terms Used In This Presentation



"Middle-Mile" refers to the highcapacity fiber-optic cables that traverse long distances (i.e., 10s-100s of miles) to connect communities to the Internet backbone.

"Last-Mile" refers to the final leg of a network that provides service to the home, business or community institution.

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Public-Private Broadband Models

		Own Rights of Way, Utility Infra.	Own Middle Mile	Own Last Mile	Operate Infrastructure	Service Customer	Example City
1	Full Municipal Broadband	Public Entity (City or Utility)	Public Entity (City or Utility)	Public Entity (City or Utility)	Public Entity (City or Utility)	Public Entity (City or Utility)	Chattanooga
2	Publicly- owned, Privately- Serviced	Public Entity (City or Utility)	Public Entity (City or Utility)	Public Entity (City or Utility)	Public Entity Service Provider	Service Providers (One or Several)	Westminster
3	Hybrid Ownership	Public Entity (City or Utility)	Public Entity (City or Utility)	Service Providers (One or Several)	Service Providers (One or Several)	Service Providers (One or Several)	Lincoln
4	Private Developer Open Access ¹	Public Entity (City or Utility)	Private Developer	Private Developer	Private Developer	Several Service Providers	Fullerton
5	Full Private Broadband	Public Entity (City or Utility)	Service Providers (One or Several)	Service Providers (One or Several)	Service Providers (One or Several)	Service Providers (One or Several)	Boston

Note: 1) Private Developer is defined as private company that builds, owns and operates the network infrastructure and offers open access to it to several retail SPs that provide service on the top

US Ignite Whitepaper on Broadband Models (July 2020)

2021 Broadband Investments with SB 156

1. Statewide Middle Mile Network - \$3.2 billion

• Dep't of Technology (CDT) leads effort with assistance from CPUC, Caltrans, and Golden State Network.

2. Broadband Technical Assistance - \$50 million total**

• Purpose: Help prepare local governments & Tribes for broadband infrastructure investments.

3. Loan Loss Reserve - \$750 million

- Purpose: enable local governments & nonprofits to secure financing for broadband infrastructure.
- 4. Federal Funding Account \$ 2 billion
 - Purpose: Funding for last-mile broadband infrastructure projects.
- 5. California Advanced Services Fund (CASF) ~up to \$150 million per year
 - Purpose: assist with broadband infrastructure deployment & adoption in public housing, Tribes, & unserved areas.

Middle-Mile Locations

- Identify routes & priority areas using public process.
- Report mapping & analysis to the California Department of Technology for use in program implementation & project development.



Middle-Mile Location Development Timeline

Legislature passes and Governor Newsom signs SB 156	CPUC releases 2 Rulings on project locations, routes, and network characteristics Solicits both formal and informal public comments	90-day public comment period in statute ends CPUC collects and analyzes additional data request to broadband middle- mile network providers CPUC concurs with Initial Project locations	CPUC, in coordination with CDT, releases additional analysis, maps ,and data	CPUC, in coordination with CDT, releases additional analysis, maps, and data	CPUC updates mapping data from time to time
July 2021	August- September 2021	Oct-Nov 2021	Dec 2021- January 2022	February- March 2022	2023-2024

CPUC Broadband Infrastructure Deployment Proceeding (R. 20-09-001)

- Formal public process and venue for developing and updating middle-mile mapping analysis and data
- Also serves as the public forum for developing rules for the last-mile program.

Middle Mile Collaboration

- 1. CPUC identified Middle-Mile Broadband Network
- 2. Dept. of Technology identifies highway project locations
- 3. Caltrans builds at highway locations

https://middle-mile-broadbandinitiative.cdt.ca.gov/pages/data-and-analysis



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About Data & Analysis Resources MMAC Meetings Public Comment

Data & Analysis

The California Public Utilities Commission (CPUC) statewide open-access middle-mile network locations as specified in <u>Government Code Section 11549.54</u>. This site provides access to middle-mile locations analysis and data.

Middle-Mile Network Locations

Analysis Prioritization

Data

Middle Mile Public Comment

Middle-Mile Broadband



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Last Mile Federal Funding Account

- The new \$2 billion Federal Funding Account is for last-mile broadband infrastructure grants.
- These funds must be encumbered by the **2025** federal deadline, and spent (i.e., projects built) before **2027**.
- Eligible Areas are those unserved by a wireline provider that can reliably provide 25/3 Mbps service.
- CPUC plans to publish priority project areas composed of unserved locations.



Loan Loss Reserve Fund

- **\$750 million** Loan Loss Reserve Fund to support development of public broadband networks.
 - A form of **credit enhancement**, or a type of insurance, that helps lenders control for the risk that loans will not be repaid. This new funding will provide collateral to local governments and non-profits for bond financing.
 - <u>The US Department of Energy operates a</u> <u>similar loan loss reserve program</u>.
- CPUC <u>Rulemaking 20-08-021</u>
- **Timing** Proposal for input by August 2022, comments and workshops to follow.
- Actions Engage in the implementation and consider becoming a party to the proceeding to inform program rules that meet needs.



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CASF Adoption, Consortia, & Infrastructure Grants

- Broadband Adoption, Consortia, and Infrastructure grants are supported by the <u>California Advanced Services Fund (CASF</u>) broadband grant program. Up to \$150 million a year funded by a surcharge on telephone bills
 - Broadband Adoption Grants
 - Broadband Consortia Grants
 - Broadband Infrastructure Grants
- **Timing** updated rules for Adoption, Consortia, and Housing approved on May 19; applications planned for June/July. Proposal on Infrastructure expected before end of second quarter 2022.
- Action
 - <u>Become a party</u> to the Rulemaking 20-08-021
 - Join the mailing list for funding availability (email <u>CASF_Adoption@cpuc.ca.gov</u>)

CASF Consortia (1 of 2)

Consortium	Counties	Lead	E-mail	
Pacific Coast	San Luis Obispo, Santa Barbara, Ventura	Bruce Stenslie	bruce@edcollaborative.com	
Central Coast	Monterey, Santa Cruz, San Benito	Freny Cooper	fcooper@mbep.biz	
Connected Capital	Sacramento, Sutter, Yolo, Yuba	Alan Lange	alan.lange@valleyvision.org	
Gold Country	Sierra, Nevada, Placer, El Dorado, Alpine	Kari Sinoff	ksinoff@sierrabusiness.org	
Inland Empire	San Bernardino, Riverside	Martha van Rooijen	martha@iebroadband.com	
Los Angeles	Los Angeles	Bill Allen	bill.allen@laedc.org	
North Bay North Coast	Mendocino, Marin, Napa, Sonoma	Calvin Sandeen	<u>calvin.sandeen@sonoma-</u> <u>county.org</u>	
https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/california-advanced-services-				
fund/casf-consortia-account/consortia-information				

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CASF Consortia (2 of 2)

Consortium	Counties	Lead	E-mail	
Northeastern California	Butte, Lassen, Modoc, Plumas, Shasta, Siskiyou, Tehama	Jason Schwenkler	jschwenkler@csuchico.edu	
Redwood Coast	Humboldt, Del Norte, Trinity	Connie Stewart	ces54@humboldt.edu	
San Joaquin Valley	San Joaquin, Stanislaus, Merced, Madera, Fresno, Tulare, Kings, and Western Kern counties	Eduardo Gonzalez	edgonzalez@csufresno.edu	
Southern Border	San Diego and Imperial	Timothy Kelley	tim@ivedc.com	
Lake Tahoe Basin	Lake Tahoe Basin	Heidi Hill Drum	heidi@tahoeprosperity.org	
Upstate California	Glenn, Colusa, Lake	Jason Schwenkler	jschwenkler@csuchico.edu	
https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/california-advanced-services-				

fund/casf-consortia-account/consortia-information

CASF Public Housing Account

- The revamped <u>Broadband Public</u> <u>Housing Account Grants</u> will provide grants to connect qualifying low-income housing, such as publicly supported housing communities, with infrastructure to provide free internet service.
- **Timing** Targeting applications in June/July 2022.
- Action Public entities and non-profit orgs: assess broadband needs of publicly support housing communities. Prepare applications or support entities that will apply. Stay tuned for staff proposal expanding eligibility.



CASF Public Housing Account project Housing Authority of the County of Kern – Green Gardens Main Distribution Frame room

Local Agency Technical Assistance

- \$50 million for technical assistance grants to local agencies and Tribes.
- Funding can be used for public entity or consultant costs to create Joint Powers Authorities, and for other costs to prepare to deploy broadband infrastructure, including for environmental permitting, engineering, and design activities.
- Up to \$1M per entity; up to \$500K for ministerial review.
- Timing Applications June-July 2022.
- Actions Public entities identify needs and prepare to apply.
- More information



Tribal Technical Assistance Grants

What do they fund?

 Grants to assist California Tribes in developing market studies, feasibilities studies, and/or business plans, which support Tribes in their pursuit of improved communications were specified in the Commission Decision.

How much are the grants?

- Grants shall not exceed **\$150,000** per Tribe, per fiscal year.
- The aggregate amount available for awards (to all Tribes) shall not exceed \$5,000,000 or until funds are replenished and/or exhausted.

Who is eligible?

- California Tribes with or without federal recognition that demonstrate Tribal leadership support are eligible for technical assistance grants.
- Projects must be completed within 24 months

Questions to: <u>Tribal_Tech_Assist@cpuc.ca.gov</u>

Mapping Broadband – More Granularity

Census block

Without a fabric of locations, broadband service areas are defined by Census blocks that presume an entire block is served no matter whether service is actually provided to every location in the block.

Location fabric

Building a location fabric provides baseline data about each specific location that could potentially be served by broadband. The fabric does not indicate whether broadband service is being provided.

Polygon overlayed on fabric

With the location fabric as a foundation, broadband providers can report their service areas with polygons, showing more accurately which specific locations do and do not have service. Many locations previously thought to be served are now shown more accurately without service.



Census boundary lines

Areas with broadband service

Broadband serviceable location



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Source: GAO-21-104447 report to congressional committees, Sep. 2021



Affordable Connectivity Program (ACP)

- The Affordable Connectivity Program (ACP) is a U.S. government program that helps many low-income households pay for broadband service and internet connected devices.
- If your household is eligible, you could receive:
 - Up to a \$30/month discount on your internet service
 - Up to a \$75/month discount if your household is on qualifying Tribal lands
 - A one-time discount of up to \$100 for a laptop, tablet, or desktop computer (with a co-payment of more than \$10 but less than \$50)
 - A low-cost service plan that may be fully covered through the ACP
- Sign up here:
 - <u>https://www.affordableconnectivity.gov/how-to-apply/</u>
- Search for providers near you:
 - <u>https://www.affordableconnectivity.gov/companies-near-me/</u>

CPUC Broadband Survey for Local Governments

- Please participate in the CPUC Broadband Survey for Local Governments by **May 30**!
- The survey assesses each community's broadband assets, broadband needs, and interest in state grant programs.
- Survey responses will inform program development and outreach.

• Survey Link:

https://www.surveymonkey.com/r/X8 WWRHX



Thank You contact: statewidebroadband@cpuc.ca.gov



State of California

California Public Utilities Commission Deployment of Anza Electric's CASF Connect Anza project, Riverside County

Q&A and Discussion

Please Type Your Questions in Chat





Local Government and Community Liaisons

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Chris Moore:	213-576-7095	<u>chris.moore@cpuc.ca.gov</u>
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Working Together

