



March 7, 2014

**Letter – Expression of Interest
VIA ECFS**

Chairman Thomas Wheeler
Commissioner Mignon Clyburn
Commissioner Jessica Rosenworcel
Commissioner Ajit Pai
Commissioner Michael O’Rielly
Jonathan Chambers
Federal Communications Commission
445 12th Street, SW 20024
Washington, DC 20024

Re: Expression of Interest – Rural Broadband Trials
Connect America Fund, WC Docket No. 10-90

Dear Chairman Wheeler, Commissioners, and Mr. Chambers,

This letter is to express the **California Regional Broadband Consortia Rural Workgroup’s** interest in participating in the Rural Broadband Trials announced at the January 30th FCC Open Meeting. While we do not have a project to propose, we want to take this opportunity to document Rural California’s need for high-speed Internet service. We respectfully ask the Federal Communications Commission to consider California’s need when making decisions regarding the Rural Broadband Trials and any future Connect America Fund initiatives.

Background

California is a net contributor to the Universal Service Fund; however, California has had difficulty making a case for Federal rural funding for broadband deployment because the federal definition of rural doesn’t apply to many rural California communities and tribal governments.

There are approximately 5.1 million rural residents in California, which accounts for 10% of the rural population in the United States. In California’s 58 counties, 44 are rural and approximately 13% of the population resides in rural areas. 80% of California’s landmass is designated rural.

California has set a goal of reaching 98% broadband deployment and 80% adoption by 2017. In order to reach the 98% goal, it is estimated that there are currently 225,000 unserved households in rural California.

In order to reach that goal, the California Public Utilities Commission (CPUC) created the California Advanced Services Fund (CASF) to support deployment projects in unserved and underserved areas in 2007. In 2010, CASF was expanded from its original \$100 million to \$225 million and in 2013 an additional \$125 million was added. CASF now includes four separate funding accounts: (1) the Infrastructure Grant Account; (2) the Consortia Grant Account; (3) the Revolving Loan Account; and (4) the Broadband Public Housing Account. Key provisions of CASF include:

- A maximum CASF grant award of 70 percent of project costs for unserved areas and 60 percent for underserved areas;
- A definition of an underserved area, “where broadband is available, but no wireline or wireless facilities-based provider offers service at advertised speeds of at least 6 mbps download and 1.5 mbps upload.”

This year, the CPUC is identifying – with the help of 14 Regional Broadband Consortia statewide – high priority areas throughout the state in need of broadband infrastructure, in order to reach California’s 98% deployment goal.

The Commission’s desire is to have the regional broadband consortia leaders identify the high priority areas for consideration, will give current providers the opportunity to challenge a proposed area’s status or commit to serve it, and then go forward accepting proposals to serve the adopted high priority areas without service commitments from other providers. The Commission hopes to adopt a list of high priority areas by July 2014.

If the FCC considered providing matching funding for CPUC identified high priority areas, the state would likely pick up the lion’s share of the funding needed and federal funding could be stretched further, while achieving its ultimate goal. We estimate that an additional \$350 million is necessary in matching funds in order to close the digital divide in California, serve 225,000 households and reach the 98% goal.

Proposed technology

Many of the providers that would serve the high priority areas are seeking fiber for middle-mile backhaul in order to allow remote communities to have reasonably priced service, fiber to many anchor institutions along or near the backhaul routes, and are proposing to use wireless technology for last mile to connect resident and business. Backhaul limitations contribute to incumbent providers bypassing or providing substandard service to remote rural areas.

Local or Tribal Government Participation

Under the current CASF rules, 68 of the 111 Tribal Governments in California qualify for funding; however under current federal funding opportunities (Tribal Mobility Fund-Phase 1) only eight Tribes representing less than 1000 people qualify in California.

Similarly, of the 225,000 unserved households in rural California needed to reach the 98%, federal funding opportunities currently available only allow 35,000 rural Californians to qualify.

Geographic Territory, Existing Providers and List of Anchor Institutions

Once the high priority areas are finalized, the California Regional Broadband Consortia Rural Workgroup in partnership with the California Public Utilities Commission will be able to provide greater detail using information such as: 1) Census blocks; 2) Addresses (household or premise); 3) Parcel identifiers (Assessor's Parcel Number - APN); and lists of anchor institutions.

Thank you for considering our Expression of Interest in your decisions about the amount of funding that will be allocated in the Rural Broadband Trials. We commend you in this effort to connect rural communities and are ready to help you close the digital divide.

Sincerely,

California Regional Broadband Consortia Rural Workgroup (*representing 23 counties*)

 <p>Joel Staker Network Administrator, City of Watsonville <i>CENTRAL COAST BROADBAND CONSORTIUM (CCBC), Monterey, San Benito and Santa Cruz Counties</i></p>	 <p>Shelly Hance Executive Director, Amador-Tuolumne Community Action Agency <i>CENTRAL SIERRA CONNECT BROADBAND CONSORTIUM (CSC), Amador, Calaveras, Tuolumne, Mariposa and Alpine</i></p>
 <p>Tara Thronson Project Manager, Valley Vision <i>CONNECTED CAPITAL AREA BROADBAND CONSORTIUM (CCABC) Sacramento, Sutter, Yolo and Yuba Counties</i></p>	 <p>Nate Greenberg Information Technology Director Digital 395 Project Manager Mono County & Town of Mammoth Lakes <i>EASTERN SIERRA CONNECT REGIONAL BROADBAND CONSORTIUM (ESCRBC), Inyo, Mono and Eastern Kern Counties</i></p>
 <p>Randy Drazos President & CEO, Sierra Economic Development Corporation (SEDCorp) <i>GOLD COUNTRY BROADBAND CONSORTIUM (GOLD COUNTRY) Sierra, Nevada, Placer, El Dorado and Alpine Counties</i></p>	 <p>Connie Stewart Executive Director, California Center for Rural Policy, California State University, Humboldt <i>REDWOOD COAST CONNECT BROADBAND CONSORTIUM (RCC), Del Norte, Humboldt, Mendocino, and Trinity Counties</i></p>