

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Communications Division
Broadband, Video and Market Branch**

**RESOLUTION T- 17551
December 15, 2016**

R E S O L U T I O N

Resolution T-1551: Approving the Categorical Exemption prepared in compliance with the California Environmental Quality Act for the Cressman Unserved and Underserved Broadband Project; and authorizing the release of California Advanced Services Fund grant monies to the Ponderosa Telephone Company (U-1014-C) to construct the Cressman Unserved and Underserved Broadband Project.

I. SUMMARY

This Resolution approves a categorical exemption prepared in compliance with the California Environmental Quality Act (CEQA)¹ for the Cressman Unserved and Underserved Broadband Project (Cressman Project). This Resolution also authorizes the release of California Advanced Services Fund (CASF) grant funding to the Ponderosa Telephone Company (Ponderosa) (U-1014-C) to construct the Cressman Project. The Cressman Project will extend high-speed Internet service to approximately 3.56 square miles covering the Cressman community and other areas of unincorporated Fresno County.

II. BACKGROUND

On April 10, 2014, the Commission adopted Resolution T- 17428, conditionally authorizing a CASF grant of \$1,027,380 to Ponderosa to construct the Cressman Project, subject to the Commission's completion of the CEQA review. The grant represented 60 percent of the total estimated project cost of \$1,712,300 with Ponderosa contributing the remaining 40 percent.

III. ENVIRONMENTAL COMPLIANCE DISCUSSION

The Commission's decision in Resolution T-17428 to conditionally grant funding under the CASF triggers the requirement that the Commission act as the lead agency for environmental review pursuant to CEQA. Consistent with the Commission's requirements, Ponderosa provided a Proponent's Environmental Assessment (PEA) to the Energy Division's Infrastructure Permitting and CEQA Unit in September 2016.

¹ California Public Resources Code Sections 21000 et seq.
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After reviewing the information contained in the PEA, the CEQA Unit has determined that the project is categorically exempt from CEQA. The CEQA Unit notified the Communications Division of its finding in a meeting on October 20, 2016.

The Cressman Project will involve the installation of 5.6 linear miles of underground fiber optic cable and the replacement copper cable to provide services to the Lower Cressman and Rush Creek digital loop carrier sites. Of the 5.6 miles of fiber optic cable, 4.9 miles will be installed on private lands; 0.7 miles of fiber will be installed on U.S. Forest Service Lands. The fiber will be installed along existing dirt roads by trenching or backhoe on approximately 4.7 linear miles of the project. The remaining 0.9 miles of the fiber optic cable will be pulled through the existing conduit, and no construction will be necessary.

As noted above, approximately 0.7 miles of the fiber will be installed on U.S. Forest Service Lands. The U.S. Forest Service has issued a categorical exclusion from the National Environmental Policy Act for that portion of the project. Based on the information contained in the PEA, the entire project qualifies for the following categorical exemptions from CEQA: CEQA Guidelines Section 15303 – New Construction or Conversion of Small Structures, involving construction, installation, and/or conversion of limited numbers of new and/or existing facilities/structures, and CEQA Guidelines Section 15304 – Minor Alterations to Land, involving minor trenching and backfilling where the surface is restored.

IV. RELEASE OF CASF FUNDS

Resolution T- 17428 awarded Ponderosa a CASF grant of \$1,027,380 to construct the Cressman Project contingent on compliance with applicable environmental requirements.² Given the CEQA Unit's conclusion as discussed in the prior section, Ponderosa has satisfied the CEQA Compliance Requirements stated in Resolution T-17428. Therefore, the Commission shall authorize CASF grant funds to be released for the construction of the Cressman Underserved Broadband Project, in accordance with the scope and budget specifications provided in Resolution T-17428. Ponderosa is required to comply with all provisions in Resolutions T-17428 and T-17551.

V. SAFETY IMPACT

The Cressman Project is in a remote area of the Sierra Nevada Mountains. Telephone and broadband access to emergency services is essential in these remote areas, where the threat of fire, harsh weather conditions, and other disasters can have severe impacts. During these types of emergencies, the first responders rely on the local communication network to acquire information and communicate with others.

² Resolution T-17428, Section V. A., issued April 16, 2014, at 8.

CD did not identify any anchor institutions within the Cressman Project area. However, there are several anchor institutions in the area surrounding the Cressman Project, including: elementary and high schools, the US Forest Service, a county library, a fire station, the California Highway Patrol, Cal Trans, California Land Management, U.S. Postal Services, Fresno County Public Works, and Southern California Edison. High-speed broadband will enhance the Cressman community's access to these entities and the services they provide.

VI. COMMENTS ON DRAFT RESOLUTION

In compliance with PU Code §311(g), a notice letter was emailed on November 15, 2016, informing all parties on the CASF Distribution List of the availability of the draft of this Resolution for public comments at the Commission's documents website at <http://www.cpuc.ca.gov/documents/>. This letter also informed parties that the final conformed Resolution adopted by the Commission will be posted and available at the same website.

VII. FINDINGS

1. Resolution T-17428 (issued April 16, 2014) conditionally authorized a CASF grant of \$1,027,380 to Ponderosa to construct the Cressman Project, subject to the Commission's completion of CEQA review.
2. The Commission is the lead agency under CEQA for environmental review of the Cressman Project.
3. The applicant provided the required PEA in September 2016.
4. Based on the information contained in the PEA, the project is categorically exempt from CEQA, consistent with CEQA Guidelines Section 15303 - New Construction or Conversion of Small Structures, involving construction, installation, and/or conversion of limited numbers of new and/or existing facilities/structures, and CEQA Guidelines Section 15304 - Minor Alterations to Land, involving minor trenching and backfilling where the surface is restored.
5. Energy Division's CEQA Unit notified Communications Division of its finding in a meeting on October 20, 2016.
6. With the adoption of this Resolution, Ponderosa has satisfied the environmental conditions of Resolution T-17428 required to release funds for the construction of the Cressman project.³

³ Resolution T-17428, Section V. A., issued April 16, 2014, at 8.

7. Ponderosa is required to comply with all provisions in Resolutions T-17428 and T-17551.
8. A notice letter was e-mailed on November 15, 2016, informing all parties on the CASF distribution list of the availability of the draft of this Resolution for public comments at the Commission's website <http://www.cpuc.ca.gov/PUC/documents/>. This letter also informed parties that the final confirmed Resolution adopted by the Commission will be posted and available at this same website.

THEREFORE IT IS ORDERED THAT:

1. The Commission shall authorize \$1,027,380 in CASF grant funds to be released for the construction of the Cressman Project, in accordance with the scope and budget specifications and payment guidelines provided in Resolution T-17428.
2. Ponderosa shall comply with all guidelines, requirements, and conditions associated with the CASF funds award as specified in Resolutions T-17428 and T-17551.
3. In the event that the Ponderosa fails to complete the project in accordance with the terms of approval granted by the Commission in Resolutions T-17428 and T-17551, Ponderosa must reimburse some or all of the CASF funds that it has received.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on December 15, 2016. The following Commissioners approved it:

TIMOTHY J. SULLIVAN
Executive Director