PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Communications Division Broadband, Video, and Market Branch RESOLUTION T-17623 August 9, 2018

RESOLUTION

Resolution T-17623: Authorizing the release of California Advanced Services Fund grant monies to Siskiyou Telephone Company (U-1017-C) to construct the Happy Camp to Somes Bar Fiber Connectivity Project; and approving the Initial Study/Mitigated Negative Declaration prepared in compliance with the California Environmental Quality Act for the Happy Camp to Somes Bar Fiber Connectivity Project.

I. SUMMARY

This Resolution authorizes the release of California Advanced Services Fund (CASF) grant funding to Siskiyou Telephone Company (Siskiyou Telephone) to construct the Happy Camp to Somes Bar Fiber Connectivity Project (Somes Bar Project). This Resolution also approves the Initial Study/Mitigated Negative Declaration (IS/MND) prepared in compliance with the California Environmental Quality Act (CEQA)¹ for Siskiyou Telephone's Somes Bar Project. This Resolution also finds that, with the incorporation of the mitigation measures listed in the Mitigation Monitoring Plan, the project will have no significant effects on the environment.

II. BACKGROUND

On December 15, 2016, the Commission adopted Resolution T- 17539, conditionally authorizing a CASF grant of \$3,645,085 to Siskiyou Telephone to construct the Somes Bar Project, subject to the Commission's completion of CEQA review. The grant represents 60 percent of expected middle-mile costs and 70 percent of expected last-mile costs, or 60.1 percent of total expected costs. The Somes Bar Project is located in Siskiyou County, and will provide much needed bandwidth for Frontier Communications, the Karuk Tribe and the community of Orleans.

¹ Section 21000 et seq. of the California Public Resources Code [PRC]) and the State CEQA Guidelines (Title 14, Section 15000 et seq. of the California Code of Regulations [14 CCR 15000 et seq].

Siskiyou Telephone will build a 16.75-mile underground fiber link from Happy Camp to Somes Bar, and last-mile connections to 10 unserved households and a USFS campground in Siskiyou County. The Somes Bar Project will improve network reliability for the larger region, by establishing an east-west fiber connection between the I-5 corridor and the SR-101 corridor, and improve public safety in a remote, rural region subject to service interruptions from forest fires and severe winter weather. The project is also supported by the United States Forest Service (USFS) and Karuk Tribe, as well as Frontier Communications, which leases existing middle-mile facilities to serve its own customers, and would benefit from upgraded facilities.

III. ENVIRONMENTAL COMPLIANCE DISCUSSION

As the lead agency under CEQA, the California Public Utilities Commission (CPUC) prepared an Initial Study/Mitigated Negative Declaration for the Somes Bar Project, with technical assistance by Aspen Environmental Group. The IS/MND was completed and published on May 17, 2018.

The site of the proposed project is located in Siskiyou County, approximately 70 miles southwest of Yreka, California. The project site begins at Milepost (MP) 12.15 on State Highway 96 and proceeds northeast approximately 16.72 miles (88,282 feet) to MP 32.21 (note: a 3-mile error in state milepost markers occurs between MP 16.38 and MP 19.64). State Highway 96 is located in both the Klamath National Forest and Six Rivers National Forest. Installation of the components of the fiber optic broadband facility cable would occur within the asphalt and gravel roadways or within the existing California Department of Transportation (Caltrans) right-of-way (ROW) adjacent to the travel surfaces. Directional boring would be used along most of the route, including when crossing creeks and culverts to avoid potential impacts on jurisdictional waters.

The IS/MND evaluated potential environmental impacts associated with the construction of fiber optic broadband facility cable within a conduit for approximately 17 miles within or adjacent to State Highway 96 and developed mitigation measures to address potential environmental impacts.

The CPUC released a Notice of Intent to Adopt a Draft Initial Study/Mitigated Negative Declaration (Draft IS/MND) for the proposed project on March 16, 2018. The public comment period for this document was March 16, 2013 to April 16, 2018. Following the end of the public comment period, responses to all comments received on the Draft IS/MND within the specified 30-day review period were prepared by the CPUC and included in a response to comments document; this, together with the Draft IS/MND, constitutes the Final IS/MND for the proposed project.

The Final IS/MND for the Siskiyou Telephone Happy Camp to Somes Bar Fiber Connectivity Project including the Project's Mitigation Monitoring Plan is available on the project website at:

http://www.cpuc.ca.gov/environment/info/aspen/siskiyoutelco/siskiyoutelco.htm

The Commission has reviewed Siskiyou Telephone's Happy Camp to Somes Bar Project Final IS/MND and finds that the project will have no significant effects on the environment with the incorporation of the mitigation measures. The Commission finds that the contents of Final IS/MND and the procedures through which the Final IS/MND was prepared, publicized, and reviewed complies with CEQA. The IS/MND correctly identifies the potential impacts and includes the appropriate mitigation measures to minimize the impacts of the project. All required mitigation measures identified in the IS/MND and contained in the Mitigation Monitoring and Reporting Program (MMRP) are included as conditions of approval of the proposed project.

IV. RELEASE OF CASF FUNDS

Resolution T-17539 awarded Siskiyou Telephone a CASF grant of \$3,645,085 to construct the Somes Bar Project contingent on compliance with applicable environmental requirements.² Given the CEQA Unit's conclusion as discussed in the prior section, Siskiyou Telephone has satisfied the CEQA Compliance Requirements stated in Resolution T-17539. Therefore, the Commission shall authorize CASF grant funds to be released for the construction of the Somes Bar Project, in accordance with the scope and budget specifications provided in Resolution T-17539.

V. SAFETY IMPACT

The Somes Bar Project will increase service reliability and improve safety because it will create redundancy for communication flows between the two communities, and for the wider region, greatly minimizing the chance of service interruption. The Karuk Tribe stated in its letter of support that the Somes Bar Project, if completed, can connect with its own CASF-funded Klamath River Rural Broadband Initiative³ and will form a regional fiber-optic backbone from Yreka on the I-5 corridor to McKinleyville on the Highway 101 corridor. This will provide the region with two fiber connections to the internet backbone, greatly enhancing public safety and network reliability in the event of manmade and natural disasters that may interrupt one of the two connections.

² Resolution T-17539, p. 10.

³ The Klamath River Rural Broadband Initiative is currently undergoing its own Initial Study for CEQA. Part of the project is a fiber middle-mile backbone from McKinleyville, CA to Orleans, CA.

The USFS also supports the project, and has stated its desire to subscribe to telecommunications services at its Dillon Creek Campground.⁴ USFS asserts that being connected to Siskiyou's telecommunications network will allow many of the campground's operations, such as water treatment, to be monitored remotely, and will "promote quicker response time for fire, medical and law enforcement, and could save lives, protect resources and deter theft and vandalism."

VI. COMMENTS ON DRAFT RESOLUTION

In compliance with Public Utilities Code, §311(g), a notice letter was emailed on July 6, 2018, 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-17539 (adopted December 15, 2016) conditionally authorized a CASF grant of \$3,645,085 to Siskiyou Telephone to construct the Somes Bar Project, subject to the Commission's completion of CEQA review.
- 2. As the lead agency under CEQA, the CPUC prepared an IS/MND for the Somes Bar Project.
- 3. The Siskiyou Telephone Soma Bar Project IS/MND has been completed in compliance with CEQA and is adequate for the Commission's decision making purposes.
- 4. The proposed project would have no significant effects on the environment with the incorporation of mitigation measures identified and listed in the MMRP.
- 5. Siskiyou Telephone will implement the measures contained in the MMRP as conditions of project approval, and have adopted a system to document and verify MMRP implementation.
- 6. The IS/MND reflects the Commission's independent judgment and analysis on the issues addressed by the IS/MND.

⁴ USFS's Dillon Creek Campground is currently unserved and is one of the 11 last-mile connections that will be constructed as part of the Somes Bar Project.

- 7. With the adoption of this Resolution, Siskiyou Telephone has satisfied the conditions required to release funds for the construction of the Somes Bar Project, as set forth in Resolution T-17539.
- 8. Siskiyou Telephone is required to comply with all provisions in Resolutions T-17495 and T-17623.

A notice letter was e-mailed on July 6, 2018, 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 <u>http://www.cpuc.ca.gov/documents/</u>. 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 authorizes \$3,645,085 in CASF grant funds to be released for the construction of the Somes Bar Project, in accordance with the scope, budget specifications, and payment guidelines provided in Resolution T-17539.
- 2. Siskiyou Telephone shall comply with all guidelines, requirements, and conditions specified in D.12-02-015, D.14-02-018, Resolution T-17539 and this Resolution. If Siskiyou Telephone fails to complete the project in accordance with the terms of approval, Siskiyou Telephone must reimburse some or all of the CASF funds that it has received.
- 3. The Final Mitigated Negative Declaration for the Project is adequate for the Commission's decision-making purposes and is hereby adopted pursuant to the California Environmental Quality Act Guidelines and the Public Resources Code.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on August 9th, 2018. The following Commissioners approved it:

ALICE STEBBINS Executive Director