

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Communications Division
Carrier Oversight & Programs Branch**

**RESOLUTION T-17355
February 16, 2012**

DRAFT RESOLUTION

Resolution T-17355. Approval of Seven (7) Consortia Grants Under the California Advanced Services Fund's Rural and Urban Regional Broadband Consortia Grant Account Totaling \$ 1.05 Million for Year 1 Activities

Summary

This resolution approves seven California Advanced Services Fund Rural and Urban Regional Broadband Consortia grants. Specifically, we approve Year 1 budgets amounting to \$1,049,518 for the seven consortia applicants shown below as well as a three-year budget allowance subject to conditions as specified in this resolution. The Commission awards these grants pursuant to California Public Utilities (P.U.) Code Section 281 and Decision (D.)11-06-038, which approved the implementation of the Rural and Urban Regional Broadband Consortia grant program and the funding of activities promoting broadband deployment, access, and adoption.

The seven consortia grants approved are:

APPLICANT		CASF FUNDED YEAR 1 BUDGET	CASF FUNDED TOTAL BUDGET
California's One Million New Internet User Coalition	(NIU)	\$150,000	\$450,000
Central Sierra Connect Broadband Consortium	(CSCC)	\$150,000	\$450,000
Connected Capital Area Broadband Consortium	(CCABC)	\$149,518	\$448,301
Eastern Sierra Connect Regional Broadband Consortium	(ESC)	\$150,000	\$450,000
Gold Country Broadband Consortium	(Gold Country)	\$150,000	\$450,000
Inland Empire Regional Broadband Consortium	(IERB)	\$150,000	\$450,000
San Diego Imperial Regional Broadband Consortium	(SDIRBC)	\$150,000	\$450,000
TOTAL GRANT AWARDS		\$1,049,518	

Background

The California Advanced Services Fund (CASF), established in D.07-12-054, promotes the deployment of broadband infrastructure in unserved and underserved areas by providing grants representing 40% of the total construction costs to eligible broadband projects. Senate Bill (SB) 1040 (Stats. 2010, c. 317, codified at P.U. Code § 281) extended CASF indefinitely and expanded it to include three accounts: (1) Broadband Infrastructure Grant Account¹, (2) Rural and Urban Regional Broadband Consortia Account, and (3) Broadband Infrastructure Revolving Loan Account. The latter two accounts are intended to address the needs that are unmet under the current CASF program. In particular, the purpose of the Rural and Urban Regional Broadband Consortia Account (Consortia Grant Account) is “to fund the cost of broadband deployment activities other than the capital cost of facilities, as specified by the Commission.” P.U. Code § 281(d). SB 1040 also increased the CASF fund from \$100 million to \$225 million as follows: funding for the Broadband Infrastructure Grant Account was increased by \$100 million while funding for the Consortia Grant Account and the Broadband Infrastructure Revolving Loan Account was set at \$10 million and \$15 million, respectively. P.U. Code § 281(b)(1).

In D.11-06-038 (June 23, 2011), the Commission adopted procedures and guidelines for administering the Consortia Grant Program which included the application, evaluation, and the selection process. Applicants must submit membership information, background, and technical experience; governing board structure; identification and description of the geographical regions, population, and communities to be covered; and, description of existing and past projects, among others. In addition, the consortia applicants must submit detailed action plans and work plans that describe goals, tasks/activities, measurable deliverables, expected outcomes, and specific timeline milestones as they relate to the needs of the region for broadband deployment, access, and adoption. The applicants were to include detailed budgets for three years that cross-reference the activities listed in the work plans.

D.11-06-038 limited consortia grants to only one regional consortium per geographic region to avoid duplication and capped grant funding at \$150,000 per year for each consortium for the first year and a maximum cap of \$450,000 total for three years. In addition, a consortium is eligible to seek supplemental funding up to \$2,000 per person for delegates to participate in the annual Regional Consortia Learning Community Summit. In D.11-07-034 (July 18, 2011), the Commission further clarified that in the Los Angeles region, the adopted annual and three-year funding caps apply to each separate

¹ Senate Bill 1193 (Stats. 2008, c.393) established the CASF as a new universal service program geared towards the deployment of broadband infrastructure in unserved and underserved areas in California. The Commission implemented the CASF program in D.07-12-054. The CASF funds 40% of a broadband infrastructure total project costs and 10% of the broadband infrastructure total project costs in the case of projects funded by CASF and the American Recovery and Reinvestment Act.

larger umbrella consortium within the Los Angeles region. Thus, in the Los Angeles region, each eligible umbrella consortium may seek funding up to the adopted \$150,000 per year and \$450,000 three-year funding caps.

Notice

Fifteen applications were filed on August 22, 2011. In compliance with D.11-06-038, Communications Division (CD) posted the following information regarding the consortia applications on the CPUC's Consortia Grant Account webpage on September 6, 2011: the consortium's name, contact information, and coverage area by county.

Discussion

CD reviewed the 15 applications according to the guidelines, requirements, and evaluation criteria adopted in D. 11-06-038², as follows:

1. Regional Consortium Representation and Endorsements;
2. Regional Consortium / Members' Experience;
3. Action Plan;
4. Work Plan; and
5. Budget

CD rated and ranked the applications to determine eligibility for consortia grants³. Seven consortia applicants met the qualifications, earned high scores, and the Commission approved their funding in Resolution T-17349 (issued December 2, 2011). Resolution T-17349 further noted that these seven consortia below also met the qualifications and scored above the minimum threshold score of 70 points, but that CD determined that the submissions needed further development and/or clarification. Contingent upon submitting satisfactory revisions to CD, the Commission would consider those consortia for approval in a subsequent resolution.

APPLICANT		CASF FUNDED YEAR 1 BUDGET	CASF FUNDED TOTAL BUDGET
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San Diego Imperial Regional Broadband Consortium	(SDIRBC)	\$150,000	\$450,000
TOTAL GRANT AWARDS		\$1,049,518	

² D.11-06-038, Ordering Paragraph 16, adopted a minimum threshold score of 70 points to be considered for funding.

³ One application rated below the minimum score of 70 points and did not receive funding.

Some aspects of the action plans, work plans, and budgets as submitted required revision, clarification, and quantification of expected outcomes, deliverables, and timelines. Examples of areas in need of further development included:

- The proposed goals and accomplishments of meetings;
- Consolidation of related activities such as the production of minutes/reports, meetings/briefings;
- Confirming the need to recreate broadband mapping rather than utilizing available sources;
- Additional clarity on work plan activities that will produce solid deliverables for regional deployment such as drafting a network design plan or coordinating the submission of CASF infrastructure grant applications from qualified applicants; and/or,
- Submitting detailed budgets that correlate clearly to work plan activities and the overall action plans.

After CD met and discussed action plan, work plan, and budget revisions, each consortium submitted improved application details by December 31, 2011, as required in Resolution T-17349. The consortia applicants submitted refinements and additional clarification that strengthened their respective action and work plans in areas including, but not limited to: specifying and focusing goals; adding performance metrics to measure activity deliverables; and, where possible, accelerating work plan activities to yield results sooner for the regions over the course of the three-year funding period.

After final review, CD recommends that these consortia applicants receive grants covering first year operations and be allowed to continue for the three-year period subject to satisfactory performance and submission of annual work plans as discussed later in this resolution. Pending receipt of the Consent Form⁴, which acknowledges agreement to comply with all grant terms, conditions, and requirements set forth in Commission Decision 11-06-038 and this resolution, approved grantees must coordinate their consortia start dates with CD.

The approved consortia budgets do not include funding for delegates participating in the annual Regional Consortia Learning Community Summit. Consortia will be eligible to receive additional funding up to \$2,000 per person (per diem, maximum of 5 participants) to attend the annual summit as adopted in D.11-06-038.

A. Consortia Applications Recommended for Funding

In general, these consortia demonstrated in their applications that they have broad representation and support from diverse groups and organizations including local and regional governments; educational, health care, public safety, and other community-based organizations; and, businesses and residents in their areas. They possess

⁴ Attachment H. of D.11-06-038.

experience collaborating with diverse community groups in building regional support, commitments, and/or partnerships geared towards achieving broadband deployment, access, and adoption in their regions. They include members with wide experience and skills in designing technical networks, creating and maintaining broadband data maps, and have prior success planning and/or working on broadband deployment projects and/or the provisioning of broadband services.

Details of each successful consortia application are discussed below.

California's One Million New Internet Users Coalition

The mission of California's One Million New Internet Users Coalition (NIU) is to utilize existing technology resources such as computer labs available in community common areas, schools, and local organizations (termed 'empowerment hubs') to launch adult and/or parent computer training. Investing in a targeted curriculum and training community college students as trainers, NIU's 7-step *Parent Engagement Through Technology* curriculum will maximize funding to reach over 2,000 parents through direct access and education and to promote adoption as an investment in continuing the training experience that will lead to improving their children's academic lives. NIU intends to work in and around approximately 39 communities in Los Angeles County. NIU's primary goals are to:

- Develop public awareness, education, and outreach campaigns to stimulate broadband demand within key groups such as school districts, churches, and other similar community-based organizations;
- Increase subscribership through the NIU training program that teaches parents how to use the internet to access essential resources thereby creating relevancy for this underserved group of residents; and,
- Provide education and training to address technology literacy in targeted parent partnerships. Training sites will provide permanent Internet access points.

NIU is a consortium of community funding and business organizations, technology and computer training centers, community development groups, and organizations which promote and provide services for educationally disadvantaged citizens. Additionally, NIU includes partnerships with and support from state officials, local and regional government entities, school districts, communications companies, and community leaders.

NIU requests CASF consortium funding of \$150,000 in Year 1 with intention to renew Years 2 and 3 for \$150,000 each. In total, California's One Million New Internet Users Coalition requests the maximum funding of \$450,000 to increase access and adoption in specific communities in Los Angeles County.

Central Sierra Connect Broadband Consortia

The Central Sierra Connect Broadband Consortia (CSC) plan focuses on deployment, access, and adoption of broadband within Alpine, Amador, Calaveras, Mariposa, and Tuolumne Counties. Through its leadership, the CSC's main goals are to:

- Develop a strategic plan for broadband infrastructure to identify viable projects aimed at increasing access to unserved and underserved areas;
- Promote increased awareness, application, and adoption of broadband targeted on disadvantaged residential areas and the needs of the business community; and,
- Promote, coordinate, and provide opportunities for access and educational assistance through training programs, neighborhood information centers, and training seminars.

The CSC membership is a collaboration of local rural communities first formed under the Amador-Tuolumne Community Action Agency (ATCCC), a leading community organization working to provide critical services and self-sufficiency opportunities for low income residents in Amador and Tuolumne counties. ATCCC is a 2001 recipient of a National Technology and Information Administration (NTIA) grant. CSC members include experienced local Internet service providers, private company and county technology experts, local and regional government officials, education and public safety representatives, community-based organizations, tourism, parks/recreation, and agriculture professionals, and interested citizens from the community.

CSC requests CASF consortium funding of \$150,000 in Year 1 with intention to renew Years 2 and 3 for \$150,000 each. In total, Central Sierra Connect requests the maximum funding of \$450,000 to extend infrastructure, increase adoption, and provide access to broadband in the Central Sierra Region.

Connected Capital Area Broadband Consortium

The Connected Capital Area Broadband Consortium's (CCABC) focus is to identify and coordinate broadband investments aimed at improving broadband infrastructure, access, and adoption within Sacramento, Sutter, Yolo, and Yuba Counties. Through its leadership, the CCABC goals are to:

- Create a strategic plan for broadband infrastructure priority investments aimed at increasing access;
- Increase utilization and adoption of broadband with non-users;
- Increase awareness and understanding among policy makers of the importance of broadband access for economic development and regional well-being;
- Support removing barriers which impede advancement of wireless deployment; and,
- Establish a broad partnership of organizations committed to the region and work collaboratively to share knowledge and leverage strengths.

Under the auspices of Valley Vision, an independent non-profit which for 17 years has provided analysis, organization, and action to improve the Capital region's economic prosperity, social equity, and environmental sustainability, the CCABC membership includes a wide-range of constituents and partners. To date, over 150 people have worked on CCABC activities representing government, education, library, public safety, health delivery, community/non-profit, business, and telecommunication/electric utility. Most recently, many participated in Sacramento regional roundtables, leadership summits, a digital access scoping study, and a project to develop a broadband business plan with key stakeholders. The experience and foundation in the region's needs means that the Capital Area is well-prepared to coordinate further strategic efforts to improve broadband infrastructure, access, and adoption with the CCABC.

CCABC requests CASF consortium funding of \$149,518 in Year 1 with intention to renew Years 2 and 3. In total, the California Connected Area Broadband Consortium requests funding totaling \$448,301 to pursue its goals of promoting infrastructure deployment projects and grants, increasing adoption, and advancing access in the Sacramento Valley area.

Eastern Sierra Connect Regional Broadband Consortium

The Eastern Sierra Connect Regional Broadband Consortium (ESC) intends to focus on assessing broadband demand and supply in rugged and rural Mono, Inyo, and Eastern Kern Counties. Begun in 2009, ESC's primary work has been spent identifying unserved and underserved communities which led to its conclusion that the region lacks middle-mile facilities to support last-mile infrastructure. With that in mind, ESC's main goals are to:

- Maintain up-to-date regional data based on statewide and national information;
- Develop a list of high priority broadband infrastructure projects by county and share with prospective service providers as infrastructure expansion opportunities;
- Work with service providers to produce at least one project plan during the life of the consortium, including reviewing area projects submitted for CASF consideration;
- Develop solutions to advance projects that will fill critical gaps in the availability of broadband service, including training organizations and providers about local resources to self-build; and,
- Increase broadband demand and adoption within communities where service exists and with anchor institutions.

ESC members come from all three counties representing chambers of commerce, local and regional government, education and public safety, community-based organizations, tourism, parks/recreation, and agriculture, tribal lands in Kern and Inyo, communication and water utilities, and the California Broadband Cooperative/Digital 395 project which received NTIA and CASF broadband infrastructure grant funding in 2010. In anticipation

of the completion of the Digital 395 middle-mile project, ESC is poised to connect its counties to this backbone which will advance the expansion of critical broadband veins into its regional communities along the strip.

ESC requests CASF consortia funding of \$150,000 in Year 1 with intention to renew Years 2 and 3 for \$150,000 each. In total, the Eastern Sierra Connect Regional Broadband Consortia requests the maximum funding of \$450,000 in the Eastern Sierra region.

Gold Country Broadband Consortium

Working towards greater broadband development in El Dorado, Eastern Alpine, Nevada, Placer and Sierra Counties, the Gold Country Broadband Consortia (Gold Country) is a partnership of regional stakeholders bringing subject matter expertise to fulfill its overall mission in the area. Gold Country plans to direct its efforts to develop and implement infrastructure projects and to expand existing served areas into unserved and underserved areas. The main goals of the Gold Country are to:

- Develop and maintain relevant research data such as regional infrastructure plans, priority project inventories, and vital project area mapping;
- Build and maintain community involvement and obtain commitment for long-term broadband subscription;
- Support and assist in developing infrastructure projects with internet service providers;
- Assist and/or work to obtain source funding for internet service providers that will subsidize project construction; and,
- Facilitate broadband service adoption within the region's communities.

Gold Country includes leadership from a variety of community representatives and organizations including local/regional government entities; fire, parks and recreation districts; K-12 and community college districts; chambers of commerce and business councils; tourism and economic development offices; health care agencies and hospitals, and communications/broadband companies. Members of the consortium, therefore, bring experience and expertise to use in developing proposals and priorities to be addressed in order to establish new and expand existing broadband facilities in the region.

Gold Country requests CASF consortium funding of \$150,000 in Year 1 with intention to renew Years 2 and 3 for \$150,000 each. In total, Gold Country Broadband Consortium requests the maximum funding of \$450,000 to bring broadband infrastructure to the region and to advance access and adoption.

Inland Empire Regional Broadband Consortium

The Inland Empire Regional Broadband Consortium (IERB) is a collaborative regional broadband consortium formed to address broadband infrastructure gaps within Riverside and San Bernardino Counties. Its primary mission will focus on prioritizing

issues of developing capital improvement projects, establishing broadband programs for underserved and disadvantaged residents, improving government policies and best practices, and continuing to advocate for funding in the region. The goals to achieve its mission are to:

- Establish strong community and stakeholder support through well-designed outreach and education that will obtain commitment from residents, businesses, and service providers to promote broadband infrastructure projects and ultimately connectivity; and,
- Develop a broadband infrastructure and access plan that prioritizes needs, sets forth a plan to identify viable projects, and plans ways to obtain investment and grant funding, as needed.

With members' experience achieving broadband adoption in other areas, the IERB is a skilled, diverse stakeholder membership represented by regional and local public agencies, technology providers, non-profit and community-based organizations, health care providers, school districts, educators, libraries, and businesses. County offices, community-based businesses and economic development offices, tourism, and cultural arts groups also endorse the IERB. In addition, some members have been awarded and/or participated as partners in projects funded by the California Emerging Technologies Fund.

IERB requests CASF consortia funding of \$150,000 in Year 1 with intention to renew Years 2 and 3 for \$150,000 each. In total, the Inland Empire Regional Broadband Consortium requests the maximum funding of \$450,000 to increase infrastructure development, access, and adoption in Riverside and San Bernardino Counties.

San Diego Imperial Regional Broadband Consortium

The San Diego Imperial Regional Broadband Consortium (SDIRBC) focuses on expanding deployment and adoption of broadband specifically for education, health and safety, and economic development within Imperial and San Diego Counties. To accomplish its mission, SDIRBC intends to direct its regional efforts on these goals:

- Increasing the availability and adoption of broadband technology in the region;
- Developing and maintaining information about the region's unique technology barriers and needs;
- Establishing, maintaining, and mapping a lowest common denominator baseline broadband speed; and,
- Creating reports and plans that clearly articulate community needs in order to develop projects that address them appropriately.

Members of SDIRBC possess expertise in technology, education, and economic development and include representation from economic development offices; a non-profit technology/technical service foundation; county offices of education; the

University of California San Diego Calit2 Institute; and, the Tribal Digital village, a computer network connecting 17 tribal reservations in the San Diego region. Their combined background and experience in technology for community benefit provides a unique understanding of the region's needs and an ability to recommend suitable broadband solutions.

SDIRBC requests CASF consortium funding of \$150,000 in Year 1 with intention to renew Years 2 and 3 for \$150,000 each. In total, San Diego Imperial Regional Broadband Consortium requests the maximum funding of \$450,000 to increase access and adoption in specific communities in Imperial and San Diego Counties.

B. Administration of Consortia

In this section, we address program administration issues involving our new CASF Consortia Program grantees.

Project Start Date

Contingent upon Commission approval of funding, CD will coordinate start dates with each consortium grantee. The estimated start date is March 1, 2012.

Quarterly Progress Reports

Each grantee must submit a written quarterly progress report at the end of each quarter that discusses activities and achievements accomplished. Quarterly report dates depend upon the date(s) of Commission approval of grants. If, for example, the start date for grantees is March 1, 2012, then the quarterly report due dates will be set a reasonable time (e.g. five to ten days) after the close of the quarters on May 31, August 31, November 30, and February 28. As needed, CD will contact grantees for follow-up discussions.

Year 2 and 3 Budget Renewal

To receive Year 2 and Year 3 funding of the budget allowance authorized by this resolution, grantees shall submit work plans for approval by October 1 of each year.

Annual Summit

D.11-06-038 provided that all consortia attend an annual regional consortia learning community summit near the end of 2012. CD will host the event and will announce and post specific meeting details when appropriate. All grantees are directed to attend and participate.

Payment Process

As previously addressed in D.11-06-038, grantees may request reimbursement of start-up costs equivalent to a maximum of 10% of the award. All subsequent requests for reimbursement must be submitted with the Quarterly Progress Report and must be supported by receipts, invoices, and other financial documentation.

Non-Compliance

Should a grantee fail to complete the project, the recipient must reimburse some or all of the Consortia Grant Account moneys that were received. CD may withhold grant payments if the consortium grantee does not comply with any of the requirements in this resolution.

Comments on Draft Resolution

In compliance with PU Code § 311(g), a notice letter was emailed on January 12, 2012, to parties on the service list of D.11-06-038 of the availability of the draft of this resolution for public comments at the Commission's web site <http://www.cpuc.ca.gov>. This letter also informed parties that the final resolution adopted by the Commission will be posted and available at the same web site.

Opening Comments

On January 26 and 27, 2012, the California's One Million New Internet Users Coalition (NIU) and the Division of Ratepayer Advocates (DRA) submitted opening comments on this resolution, respectively.

NIU urges the adoption of Resolution T-17355 and specifically notes the Commission's prior recognition supporting consideration of more than one regional consortium in the Los Angeles region. In addition, NIU states that it has complied with the requirements to work with and revise its action plan documents and has submitted them to the Communications Division (CD) within 30 days of the approval of T-17349 in order to be considered for funding in a subsequent resolution.

DRA recommends delaying a vote on this resolution pending additional transparency for more details about the consortia work plans. In addition, DRA questions the commitment of more than 80% of the consortia account funds to this first round of regional group applicants and/or awardees.

Reply Comments

The California Center for Rural Policy (CCRP) at Humboldt State University submitted reply comments on February 1, 2012. CCRP expresses concern that the Commission is setting a precedent for multiple regional consortia in other regions of the state by considering approval of a second regional consortium in Los Angeles County.

Commission's Response to Comments Submitted

We disagree with DRA's recommendation to delay a vote on this resolution due to lack of transparency. Any interested party seeking to review the contents of a consortium's application had the option to contact each respective consortium to request an electronic or paper copy for review and/or to obtain information about the clarifications made to the action and work plans. We further reject DRA's opposition in committing more than

80% of the consortia account funds to this first round of regional group applicants and/or awardees. Senate Bill 1040, which established the consortia account, does not set forth an annual restriction for funding. CD reviewed and accepted the final versions of all the consortia's action and work plans, as discussed earlier, and recommends funding approval based on those submitted documents. Hence, in order for consortia efforts in broadband deployment, access, and adoption to begin as soon as possible, we approve funding of these seven eligible consortia.

In regards to CCRP's concern about setting a precedent for multiple regional consortia in other regions of the state, we concur with NIU's assertion that the Commission previously recognized a modified funding approach within the Los Angeles region. In addition, D.11-07-034 permits more than one umbrella consortium within the Los Angeles region to seek funding. We further note that NIU, as well as the other six applicants, worked cooperatively with CD to submit their completed action and work plan revisions in January 2012 in compliance with Resolution T-17349.

Findings

1. Senate Bill (SB) 1040 (Stats. 2010, c. 317, codified at California Public Utilities (P.U.) Code Section 281) extended CASF indefinitely and expanded it to include three accounts: (1) Broadband Infrastructure Grant Account, (2) Rural and Urban Regional Broadband Consortia Account, and (3) Broadband Infrastructure Revolving Loan Account.
2. Pursuant to P.U. Code section 281(d), the Rural and Urban Regional Consortia Account (Consortia Grant Account) is "to fund the cost of broadband deployment activities other than the capital cost of facilities, as specified by the Commission." Pursuant to P.U. Code section 281(b)(1), the Consortia Grant Account for \$10 million.
3. In Decision (D.)11-06-038 (June 23, 2011), the Commission adopted procedures and guidelines regarding the Consortia Grant Account's application, evaluation, and selection processes.
4. Applicants must submit membership information, background, and experience; governing board structure; identification and description of the geographical regions, population, and communities to be covered; and, the description of existing and past projects, among others. In addition, the consortia applicants must submit detailed action plans and work plans that describe goals, tasks/activities, measurable deliverables, expected outcomes, and specific timeline milestones as they relate to the needs of the region for broadband deployment, access, and adoption. The applicants must include detailed budgets for three years that cross-reference the activities listed in the work plans.
5. D.11-06-038 limited consortia to only one regional consortium per geographic region and capped grant funding at \$150,000 per year for each consortium for the first year and a maximum total cap of \$450,000 for three years. In D.11-07-034 (July 18, 2011),

the Commission further clarified that in the Los Angeles region, the adopted annual and three-year funding caps apply to each separate larger umbrella consortium within the Los Angeles region seeking funding. Thus, each eligible umbrella consortium may seek funding up to the adopted \$150,000 per year and \$450,000 three-year funding caps.

6. Fifteen prospective consortia filed applications on August 22, 2011. CD posted each consortium applicant's name, contact information, and coverage area by county on the CPUC Consortia Account webpage on September 6, 2011.
7. CD reviewed each application according to the guidelines, requirements, and evaluation criteria adopted in D.11-06-038, which include regional consortium representation and endorsements, regional consortium's/members' experience, action plans, work plans, and budgets.
8. Staff rated and ranked the applications to determine eligibility for consortia grants. Seven applications met the qualifications and earned high scores, another seven applications required further modifications before Commission consideration, and one application rated below the minimum passing score.
9. Resolution T-17349 (issued December 2, 2011) approved the initial seven consortia group that met the qualifications, earned high scores, and submitted complete applications in a first round. Resolution T-17349 recognized an additional seven consortia which rated well but whose action plans, work plans, and budgets required revisions. Pending modifications and other requirements, those applications would be considered in a subsequent resolution.
10. The second group of seven consortia applicants requiring additional modifications submitted their revised action plans, work plans, and Year 1 budgets by December 31, 2011, in accordance with Resolution T-17349.
11. CD reviewed those modifications, accepted the revisions submitted, and recommends CASF consortia grant approval of total Year 1 funding of \$1,049,518 for the second group of seven consortia and their three-year budget allowances.
12. A notice letter was emailed on January 12, 2012, informing the parties of record in Decision 11-06-038 of the availability of the draft resolution for public comments at the Commission's web site <http://www.cpuc.ca.gov>.
13. California's One Million New Internet Users Coalition, the Division of Ratepayer Advocates, and the California Center for Rural Policy at Humboldt State submitted timely comments. The Commission's responses to these comments are discussed in this resolution.

THEREFORE, IT IS ORDERED that:

1. The Rural and Urban Regional Consortia Grant Account funding for seven consortia as discussed in this resolution is adopted.
2. The total approved from the Rural and Urban Regional Broadband Consortia Account is \$1,049,518 for Year 1 activities in 2012-13 and the three-year budget allowances, as follows:

GRANTEE		CASF FUNDED YEAR 1 BUDGET	CASF FUNDED TOTAL BUDGET
California's One Million New Internet User Coalition	(NIU)	\$150,000	\$450,000
Central Sierra Connect Broadband Consortium	(CSCC)	\$150,000	\$450,000
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TOTAL GRANT AWARDS		\$1,049,518	

3. To receive Year 2 and Year 3 of the budget allowances authorized by this resolution, the consortia approved for grants in this resolution shall submit work plans for approval by October 1 of each year.
4. The disbursement of funds shall be subject to the requirements set forth in Decision 11-06-038 including the submission of periodic progress reports and supporting documentation for payment reimbursement.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on February 16, 2012. The following Commissioners approved it:

PAUL CLANON
Executive Director