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**PRESS RELEASE**

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**CPUC APPROVES BROADBAND GRANTS  
TO BRIDGE DIGITAL DIVIDE IN STATE**

SAN FRANCISCO, November 20, 2009 – The CPUC today took action on six broadband projects, totaling \$23,029,039 in California Advanced Services Fund (CASF) grants, in its ongoing commitment to increase high-speed Internet access throughout California.

The CPUC awarded \$6,834,806 in CASF grants for two broadband projects and gave conditional approval for \$16,194,233 in CASF grants for four other broadband projects that would serve previously unserved and underserved communities in the northern and central rural regions of the state.

“These broadband grants are being made to ensure our residents and businesses in these communities in the state have access to high-speed Internet,” stated Commissioner Rachele Chong. “Our state is committed to bridging the Digital Divide.”

The two projects awarded grants outright are:

- \$4,212,982 for IP Networks, Inc.’s Highway 36 Broadband Project spanning Humboldt and Trinity Counties
- \$2,621,824 for Siskiyou Telephone Company’s Seiad Underserved Broadband Project in Siskiyou County

These construction grants amount to 40 percent of each of the project’s costs, with the remaining 60 percent to be raised or provided by the project sponsors.

The four projects given conditional approval to build broadband infrastructure are:

- Race Telecommunications Last Mile Project in Kern County - \$9,500,864

- University Corporation at Monterey Bay Central Coast Broadband Project in Monterey, San Benito, and Santa Cruz Counties - \$4,975,009
- Nevada County Connected Middle Mile Project of Nevada County Economic Resource Council - \$1,312,747
- Ponderosa Cablevision's Auberry Broadband Project in Fresno County - \$405,613.

These construction grants, which represent 10 percent of the total costs of the projects, are contingent upon approval of 80 percent matching grants from the federal broadband stimulus portion (\$7.2 billion) of the American Recovery and Reinvestment Act (ARRA). Federal agencies are expected to make those announcements in approximately December 2009.

The two CASF broadband grants given outright approval are located in two of the northernmost regions of the state.

- The IP Networks (IPN) project would construct a 121-mile fiber-optic network to interconnect with an existing fiber network to serve underserved (dial-up) communities along the rugged State Highway 36 corridor from Wildwood to Bridgeville. Customers will receive broadband service at minimum speeds starting at 4 mbps download and 1.5 mbps upload. IPN will partner with 101 Netlink, the last mile provider, to deploy broadband using Pacific Gas and Electric Company (PG&E) infrastructure, including transmission towers, to connect to targeted underserved communities in the two counties. By leveraging PG&E assets, the Highway 36 Project will bring broadband connectivity from the Cottonwood sub-station in Shasta County to downtown Eureka in Humboldt County on the coast.
- Siskiyou Telephone's Seiad Underserved Project would construct underground fiber optic cable to replace old, aerial copper wires in Seiad Valley along Highway 96. It will benefit the households and businesses in Seiad and Fort Goff. This project would bring high-speed broadband service to 134 households at average speeds of 3 mbps download and 1 mbps upload.

The four CASF grants given conditional approval today are the second group of projects that were simultaneously submitted for 80 percent matching grants from the federal broadband stimulus portion of ARRA.

- The Race Telecommunications Last Mile Project in Kern County will deploy a long-haul fiber-optic backbone network from Los Angeles to a regional data center, central office, and collocation facilities to serve the cities of Arvin and Tehachapi and the markets of Bear Valley Springs, Boron, California City, Golden Hills, Mojave, Rosamond, and Stallion Springs. The 152-mile network project will provide Internet speeds of up to 100 mbps download and up to 25 mbps upload to an area of 444 square miles inhabited by 24,352 households and 1,274 businesses.
- The University Corporation at Monterey Bay Central Coast Broadband Consortium Middle Mile Project will build a 428-mile fiber middle-mile backbone that has the capacity to serve unserved and underserved customers via wholesale providers and to boost economic and educational development in Monterey, San Benito, and Santa Cruz Counties. Development opportunities have been compromised by the region's inability to offer high-bandwidth optical connections to business, industry, education institutions, and residents.
- The Nevada County Connected Middle Mile Project of Nevada County Economic Resource Council will build and deploy a wireless infrastructure, including 11 new microwave towers, which could offer high-speed broadband service to 61 anchor institutions including 40 community institutions and schools, 13 public safety entities and eight critical community organizations. In addition, the project will enable seven wireless Internet service providers to provide Internet service to 1,294 unserved and underserved households and 786 businesses covering an area of approximately 304 square miles.
- The Ponderosa Cablevision Auberry Project will extend current DSL coverage in the southern Madera County and northern Fresno County communities of Friant, Prather, North Fork, Auberry, and Shaver Lake into the proposed area of Township 11 in the Sierra foothills of Fresno County. The project will utilize fiber to the home technology to serve 1,043 households covering an area of about 19 square miles at average speeds of 30 mbps download and 13.33 mbps upload.

On July 9, 2009, the CPUC established a new schedule for filing, review, and approval of CASF broadband fund applications to allow project sponsors to simultaneously apply for an 80 percent

match from federal ARRA stimulus.

On December 20, 2007, the CPUC established the two-year, \$100 million CASF to provide 40 percent matching infrastructure grants to broadband providers willing to put up the matching 60 percent of funds and to serve the nearly 2,000 California communities that are currently unserved and underserved by broadband.

Of that \$100 million, \$38,148,080 in broadband infrastructure grants has been approved as of November 20, 2009. Applications for CASF grants are still being accepted by the CPUC.

For information on the Governor's Broadband Taskforce, please visit [www.calink.ca.gov/taskforce/aboutus.asp](http://www.calink.ca.gov/taskforce/aboutus.asp).

For more information on communications issues, please visit [www.CalPhoneInfo.com](http://www.CalPhoneInfo.com).

For more information on the CPUC, please visit [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

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