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PRESS RELEASE

Docket #: T- 17282

**CPUC APPROVES BROADBAND GRANT
FOR CALAVERAS POKER FLAT PROJECT**

SAN FRANCISCO, July 29, 2010 - The California Public Utilities Commission (CPUC) today approved a matching grant of \$640,698 from the California Advanced Services Fund (CASF) to the Calaveras Telephone Company's Poker Flat project to bring high-speed Internet access to isolated, underserved communities on Lake Tulloch in the Sierra foothills.

The CPUC's CASF matching grant, which is 10 percent of the total cost of \$6,406,976, is contingent upon approval of a 64 percent matching grant of \$4.08 million from the \$7.2 billion broadband stimulus portion of the federal American Reinvestment and Recovery Act. The balance of \$1.68 million for the project will be provided by Calaveras Telephone from its own capital sources.

Currently, Poker Flat is an underserved area with Internet access speeds of less than 3 megabits per second (mbps) download and .0512 megabit per second (mbps) upload using existing copper facilities. The Poker Flat project will install a fiber-optic to the home network that will upgrade Internet access speeds from 3-20 mpbs download and .512 -5 mpbs upload, serving 409 households in a shoreline community six miles from the main Copperopolis turn off from State Highway 4.

The CPUC originally established the \$100 million CASF in December 2007 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. In July 2009, the CPUC revised the funding guidelines to 10 percent matching CASF grants provided the applicant is seeking Recovery Act funding for 80 percent of its project cost.

Today's conditional approval brings the total broadband infrastructure grants to \$49.04 million out of CASF's \$100 million. The amount of CASF grants has decreased from that previously reported as a result of the rescission by the CPUC of eight conditionally approved CASF funding awards since the project proponents' were unsuccessful in securing Recovery Act or matching funds for these projects.

Applications for CASF grants are still being accepted by the CPUC. CPUC Resolution T-17143 authorized the Communications Division to establish new filing periods in the event that CASF funds remain. Prospective applicants may submit new CASF funding applications, either for a 40 percent CASF grant or for a 10 percent matching grant to complement the applicant's second round Recovery Act funding application. However, new CASF funding applications submitted on April 1, 2010, will be given primary consideration for funding.

For information on the Governor's Broadband Taskforce, please visit www.calink.ca.gov/taskforce/aboutus.asp.

For more information on communications issues, please visit www.CalPhoneInfo.com.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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