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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking Regarding
Broadband Infrastructure Deployment and
to Support Service Providers in the State of
California

Rulemaking 20-09-001

Reply Comments of Community Health Partnership, Inc.

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October 13, 2021

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Community Health Partnership, Inc. (“CHP”) respectfully submits these reply comments to the California Public Utilities Commission (“Commission”) in response to the opening comments filed by the County of Santa Clara (“County”) on October 1, 2021 on the administrative law judge’s ruling in the above-captioned docket, emailed to parties on September 9, 2021, which established the deadline for filing reply comments to October 15, 2021.

About CHP and our Commitment to Expanding Broadband and Health Care for All

CHP is one of fourteen regional membership organizations in California that represent nonprofit community health centers. Our members include ten primary care community-based organizations throughout Santa Clara and San Mateo counties that provide health services at 40 sites. Our membership includes Federally Qualified Health Centers, School Health Clinics, free clinics, family planning clinics, and an Indian Health Center. Our population includes predominantly uninsured and Medi-Cal patients (below 200% FPL).

CHP’s interest in this proceeding aligns with our strategic priorities aimed at expanding health care access by identifying and addressing barriers within the healthcare system that prevent access to care. As such, the equitable and expeditious expansion of broadband through a publicly-owned fiber optic network, which offers high speed internet service at a price point accessible to all residents, is in the best interest of the public and the patients served by our consortium members.

Introduction and Background

The County is correct in noting that despite being the heart of the Silicon Valley, the digital divide runs deep within our most impoverished rural and urban communities. Santa Clara County, being one of the most populous counties in the state, has a population of almost 2 million people, which is one fourth the population of the entire Bay Area. Of that population, almost 100,000 residents do not have access to the Internet, and almost 130,000 more residents have access only through a cellular data plan. The County is correct in stating that the largest barriers to bridging the digital divide for these residents include the prohibitively high cost of broadband deployment as well as the high cost of Internet plans for these socioeconomically disadvantaged populations, such as the rural communities south of San José. The construction of a State-owned, open access middle-mile network would serve to connect these under-resourced communities with reliable, high speed last-mile connectivity.

Open Access

We agree with the County’s statement that tariffs are an important tool to protect consumers from unjust and discriminatory rates that disproportionately impact low-income, Black, Latino, Native, and rural communities. Without adequate competition to provide these communities with a menu of choices for fast, reliable and affordable Internet plans, Internet costs will remain prohibitive for those struggling financially. The lack of competition impacts accessibility, and as

the County noted, many of these unserved and underserved areas have few, if any, open access middle-mile fiber providers. This enables the incumbent and existing providers to charge exorbitant rates that make installing last-mile infrastructure financially difficult. Imposing tariffs on open access networks would give the Commission the ability to hold all providers accountable for justly and appropriately balancing business viability and network accessibility when determining their rates for last-mile broadband services.

Additional Factors to Consider

CHP agrees with the County that considering competition, redundancy, and affordability in determining the location and rates for the middle-mile network is the right approach for the Commission. CHP encourages the Commission to prioritize areas where providers are ready and willing to construct last-mile infrastructure at affordable rates, especially municipally-owned or publicly-owned last-mile providers. We further agree that to ensure perpetual affordability, State-owned middle-mile infrastructure is the right approach, but we would like to go even further and say that this is even more true as it relates to municipally-owned or publicly-owned last-mile infrastructure. Transparency is essential in assuring that long-term affordability is sustained. To that end, the Commission should take steps to ensure that rate sheets are publicized along with the penalties for failure to deliver service within a set timeframe at a promised price.

In regards to communication infrastructure as it relates to disaster response to high fire threat areas, we are in agreement with the County's assessment that the middle-mile network is vital to increasing and strengthening network resiliency for our county's high fire threat areas, especially since approximately 10,047 people live within a Tier 2 High Fire Threat District and 5,025 people live within a Tier 3 High Fire Threat District in the unincorporated areas of the County. These are the areas that tend to be least connected to reliable, affordable high-speed broadband. Communication infrastructure is crucial in coordinating disaster response in high fire threat areas, and we concur with the County recommendation of balancing the benefits of undergrounding against the increased costs even though undergrounding broadband infrastructure is preferable.

We agree with the County that the labor and economic development benefits of improving broadband infrastructure should not be a primary consideration in the State's planning process. Areas that are economically lucrative from broadband infrastructure tend to already be most attractive to private Internet service providers ("ISPs") while areas that would demonstrate less economic development benefit are the most negatively affected by digital redlining. In constructing the middle-mile network, the State has the opportunity to improve access to affordable, reliable and fast broadband for students, seniors, patients, impoverished residents and rural communities where the business case for broadband development may be less apparent, but the needs are no less important and acute.

Middle-Mile Network Services for ISPs

We concur with the County's emphasis on installing fiber highway segments that run from San José to Gilroy, Gilroy to Hollister, and from San José to Santa Cruz. We encourage the Commission to consult with local agencies in planning the routes through their jurisdictions, which includes school districts, county offices of education, cities, special districts and counties. We also want to encourage the Commission to work directly with Native communities along with Open Space Authorities with jurisdiction over Native lands to ensure the needs of a traditionally underserved and under-resourced community is served by expansion of broadband infrastructure and access. We also concur with the County's position that the most important service the middle-mile network can offer commercial providers is dark fiber, which will allow the commercial providers to expand their networks in a more cost-efficient manner. CHP also supports the County's recommendation of a high strand count for this network, specifically 288 strands of fiber across wherever possible.

Middle-Mile Network Services for Consumers

We agree with the County that constructing this network in unserved and underserved areas facilitates the entry of new last-mile providers supplying direct services into the local market, thereby increasing competition which increases affordability. By using the middle-mile network to provide direct services to anchor institutions, the State would facilitate the adoption of service in areas that lack networks and/or where private ISPs are not interested in expanding their services to a greater degree.

Last-Mile Providers

We agree with the County's position that the Commission should require that the last-mile providers who are relying on State-subsidized middle-mile services provide those services to end users at affordable prices. We also agree with the County that there are obstacles to creating municipal or publicly-owned broadband networks; however, we believe that the middle-mile network creates opportunities for local entities and public agencies to create their own publicly-owned last-mile broadband networks as many cities across the state have already done. Strategically placing middle-mile networks in the above-mentioned areas of Santa Clara County will increase the ability of local public agencies to become last-mile providers for their own communities, which increases competition and affordability for end users on the wrong side of the digital divide. We join the County in encouraging the Commission to consult with local agencies in planning routes through and setting rates in their jurisdictions.

Conclusion

CHP believes that the Commission should adopt the recommendations submitted through the opening comments of the County of Santa Clara, along with the points made in these reply comments. CHP appreciates the Commission's continuing efforts to ensure that all Californians have access to reliable, fast, and affordable broadband Internet access services.

Respectfully submitted on October 13, 2021,

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