

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



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Application of VELOCITY COMMUNICATIONS,
INC. for Rehearing of Resolution T-17898.

**VELOCITY COMMUNICATIONS, INC.
APPLICATION FOR REHEARING
OF PORTION OF RESOLUTION T-17898
REFLECTING PRELIMINARY AWARDS
FROM BEAD FUNDS TO STIMULUS TECHNOLOGIES, INC.**

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Pursuant to Rule 16.2 of the Commission's Rules of Practice and Procedure, Velocity Communications, Inc. ("Velocity") hereby files this application for rehearing of a portion of Resolution T-17898 ("Resolution") setting forth the Commission's Broadband Equity, Access, and Deployment (BEAD) Final Proposal. Specifically, Velocity seeks rehearing for the BEAD funds preliminarily awarded to Stimulus Technologies, Inc. ("Stimulus") (Project ID CM61-BEAD-CA-176-9393) to build wireline broadband facilities in several California communities including Willow Creek, Salyer, Hawkins Bar, Burnt Ranch, Big Bar and Lewiston. Velocity is not seeking rehearing on any of the other BEAD preliminary awards in the Resolution. This Application identifies legal and factual errors in the Resolution and requests that the Commission notify the National Telecommunications and Information Administration ("NTIA") that its Final Proposal should be revised to remove funding for Stimulus.

I. STANDARD OF REVIEW

The purpose of an Application for Rehearing is to alert the Commission to legal error, in order to permit the Commission to correct it expeditiously.¹ As discussed in detail below, the Commission should revise the BEAD Final Proposal attached to Resolution T-17898 to correct legal and factual errors in the preliminary award to Stimulus from the BEAD Funding Account.

II. ELIBILITY TO FILE FOR REHEARING

Rule 16.2(b) permits an application for rehearing of a resolution to be filed by "any person who has served written comments on a draft or alternate resolution pursuant to Rule 14.5." Velocity filed comments on Draft Resolution T-17898 pursuant to Rule 14.5 on December 9, 2025. Therefore, Velocity is eligible to file this application for rehearing. Rule 16.1(a) requires that applications for rehearing must be filed "within 30 days after the date the

¹ See Rule 16.1.

Commission mails the order or decision." Resolution T-17898 was issued on December 19, 2025, making the 30th day January 18, 2026, which was a Sunday, and January 19, 2026, was a state holiday. Pursuant to Rule 1.15, the deadline for filing applications of rehearing for Resolution T-17898 falls on the next business day. This application is timely.

III. ERRORS IN RESOLUTION T-17898

Resolution T-17898 errs by awarding funds to Stimulus in areas in which Velocity already provides broadband at the required speeds. The Resolution errs in two ways. First, the Commission is discounting Velocity's broadband service because it is provided via fixed wireless facilities. Second, the Commission is relying on outdated broadband data that was compiled before Velocity expanded the geographic scope and capabilities of its broadband services. Either error taken alone is sufficient to require revision of the Commission's Final Proposal to remove the Stimulus award. Velocity asks that the Commission expeditiously review accurate data regarding Velocity's broadband deployment, correct the BEAD Final Proposal and notify NTIA that it is withdrawing the award to Stimulus.

A. Resolution Relies on Outdated Data and Will Fund Overbuild of Existing Broadband Facilities

Velocity provided evidence in its comments on draft Resolution T-17898 that it provides fixed wireless service in the area for which Stimulus applied for BEAD funding.² Velocity deployed licensed-by-rule fixed wireless technology to provide broadband service supporting speeds of 150/20 Mbps during 2024 in several communities included in the proposed award service area. These areas include Willow Creek, Salyer, Hawkins Bar, Burnt

² *Velocity Communications, Inc. Comments Identifying Legal Error on Draft Resolution T-17898 Awarding BEAD Funds to Subgrantee in Areas Already Served with Broadband*, at p. 1 (December 9, 2025).

Ranch, Big Bar and Lewiston. Data demonstrating that these areas are already served is reflected in both the Commission's and the Federal Communications Commission's ("FCC") broadband maps, which were updated as of December 31, 2024.

Despite Velocity's comments demonstrating that the BEAD funds to Stimulus will overbuild areas already served at the required broadband speeds, the Resolution did not modify or remove the BEAD award to Stimulus. Stimulus and the Commission either failed to review these official FCC and Commission broadband maps entirely, or they are relying on outdated data from the 2023 (or earlier) versions of the broadband maps.

Velocity emphasizes that its provision of broadband service in the six communities overlapped by the Stimulus BEAD award is documented through service provided to several of the Community Anchor Institutions (CAIs) erroneously identified as lacking broadband, including the Burnt Ranch Elementary School and Lewiston Elementary School. The Resolution does not address Velocity's data showing that Stimulus' proposed service area includes areas already served with broadband. Rather, it dismisses Velocity's comments, claiming "[s]taff followed the BEAD NOFO, RPN, and related guidance when determining BSL status, and will continue working with NTIA to make any needed adjustments prior to issuing BEAD awards."³ Velocity appreciates that the Commission stands ready to correct this error, but requests that the Commission do so now to expedite NTIA's review of the BEAD Final Proposal.

B. Resolution Discounts Broadband Provided Via Fixed Wireless

Velocity noted in its comments that it provides broadband service in Willow Creek, Salyer, Hawkins Bar, Burnt Ranch, Big Bar and Lewiston predominantly via fixed wireless

³ *Id.*, at p. 25.

technology.⁴ The Resolution does not acknowledge that Velocity provides broadband service. While no explanation is provided in the Resolution regarding the basis for awarding BEAD funds to Stimulus, Velocity submits that the Resolution improperly disregards Velocity's broadband service because it is provided via fixed wireless technology. Velocity notes that IBT Group USA also submitted comments documenting that the Commission has improperly given preference to broadband projects provided over fiber to the exclusion of fixed wireless broadband services.⁵

On June 6, 2025, the National Telecommunications and Information Administration ("NTIA") issued the Restructuring Policy Notice ("RPN") mandating that states take a technology-neutral approach to BEAD funding decisions. On July 24, 2025, the Commission approved Decision 25-07-040, which modified Decision 24-05-029 and Decision 24-09-050, to implement the changes NTIA mandated in the BEAD RPN. Commission Decision 25-07-040 requires Staff to submit the Final Proposal for Commission approval.

NTIA's RPN added new requirements, including but not exclusive to, the need to revise eligible Broadband Serviceable Locations (BSLs) to account for unlicensed fixed wireless service, revise the scoring rubric to evaluate applications, and open an additional application round incorporating the RPN policy changes to provide the opportunity for all eligible technologies to qualify for Priority status. The Commission is required to comply with the RPN in order to obtain approval for its Final Proposal.

The RPN requires states to accept fixed wireless technology in licensed or unlicensed spectrum as a broadband technology eligible for BEAD funding, so long as the technology

⁴ *Id.*, at p. 2.

⁵ Comments of IBT Group USA, LLC at p.2 (Dec. 9, 2025).

meets the speed and other technical requirements (*i.e.* 100/20 Mbps).⁶ The RPN explicitly requires states to take account of broadband service already provided via fixed wireless (whether in licensed or unlicensed spectrum) “to prevent overbuilding.”⁷ Further, the RPN mandates that areas already served with fixed wireless broadband service are excluded from BEAD awards.

The Resolution acknowledges the Commission’s obligation to consider fixed wireless technologies.⁸ However, it does not award BEAD funding to any fixed wireless providers. The Resolution awards 85 percent of BEAD funding allocated to California (\$1,410,602,060) for wireline broadband infrastructure to 200,545 locations, and 0.9 percent (\$165,396,367) for satellite service to 138,019 locations.⁹ The Resolution states that “[t]ogether, these projects are expected to reach 100% of eligible BEAD locations statewide.”¹⁰

The Resolution does not address, much less dispute, Velocity’s data showing that Stimulus’ proposed service area includes locations already served with broadband. Rather it includes a one-sentence, generic response, “[s]taff followed the guidelines and requirements set forth in the BEAD RPN and other BEAD Program guidance when making preliminary award determinations.”¹¹ The Resolution fails to provide any description or details demonstrating how staff followed the guidelines requiring technology neutrality and yet failed to fund a single fixed wireless project. Because Commission staff failed to fund fixed wireless projects, it also appears that they disregarded existing fixed wireless networks already providing broadband at required speeds.

⁶ NTIA Restructuring Policy Notice, at p. 10; D.25-07-040, at p. 11.

⁷ NTIA Restructuring Policy Notice, at p. 14.

⁸ Resolution, at p. 3, 15, 20.

⁹ Resolution, at p. 20.

¹⁰ *Id.*

¹¹ *Id.*, at p. 25.

Fixed wireless services are considered “reliable” by the FCC and NTIA. The Commission recognized that wireless technology is a powerful tool to ensure broadband access for currently under or unserved Californians when it approved the Frontier/Verizon merger on January 15, 2026.¹² It noted that Verizon and Frontier asserted that their customer base had been eroded by competition from alternative technology providers such as fixed wireless operators because such competitors have lower cost models, are better resourced, and provide more service offerings at lower costs than wireline providers.¹³

In addition to licensed-by-rule fixed wireless, Velocity also offers fiber service in the Lewiston area with speeds up to 1/1 Gbps. This service is currently offered to business customers; however, Velocity is continuing to invest private funds to make service available to residences in the area during 2026. The Resolution does not acknowledge this existing fiber service.

Awarding public funds to overbuild existing broadband facilities is contrary to the public interest, and legal error. The Commission should correct the Resolution by removing the Stimulus award and to notify NTIA of this change.

IV. REQUESTED RELIEF

Velocity has identified substantive legal and factual errors in the portion of Resolution T-17898 and the attached BEAD Final Proposal that awards preliminary BEAD funding to Stimulus. For all of the reasons set forth above, Velocity requests that the Commission expeditiously review the Stimulus application using accurate data regarding Velocity’s fixed

¹² The proposed decision and discussion of Commissioners during the January 12, 2026, oral argument conceded that wireless technology is reliable and may be the only feasible means of serving rural areas. See Proposed Decision in A.24-10-006, at p. 38.

¹³ *Id.*

wireless broadband deployment, correct the Final BEAD Plan and notify NTIA that it is withdrawing the award to Stimulus.

Signed and dated January 20, 2026, at Walnut Creek, CA.

Respectfully Submitted,

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