

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Communications Division
Broadband, Policy and Analysis Branch**

**RESOLUTION T- 17418
October 17, 2013**

R E S O L U T I O N

Resolution T-17418 Approval of Funding for the Grant Application of the Karuk Tribe (U-7235-C), from the California Advanced Services Fund (CASF) Amounting to \$6,602,422 for the Klamath River Rural Broadband Initiative Project

1. SUMMARY

This Resolution approves funding in the amount of \$6,602,422 from the California Advanced Service Fund (CASF) for the CASF grant application of the Karuk Tribe for its Klamath River Rural Broadband Initiative Project in Humboldt County. The project will extend high-speed broadband service to 80 square miles covering the Karuk Tribe and Yurok Tribes in extremely rural and frontier environments in Northern Humboldt County. The project will install an 82.3 mile middle mile fiber optic network as well as last mile wireless broadband networks to provide broadband access to eight first responder agencies, fourteen other anchor institutions, as well as ~~664~~616 households in Orick, Orleans, Johnsons, Wautee, ~~Trinidad~~, Weitchpec, and other neighbors and businesses along the way where ~~343~~295 households are unserved and 321 households are underserved.

2. BACKGROUND

On December 20, 2007, the California Public Utilities Commission (Commission) in Decision (D.) 07-12-054 established the CASF program as a two-year program to provide funds for the deployment of broadband infrastructure in unserved and underserved areas in California.

On September 25, 2010, Governor Schwarzenegger signed Senate Bill (SB) 1040¹ which codified the CASF program and expanded it to include three accounts: (1) the Infrastructure Grant Account, (2) the Consortia Grant Account, and (3) the Revolving Loan Account. The latter two accounts are intended to address the needs that were unmet under the original CASF program. Specifically, the purpose of the Revolving Loan Account is “to finance capital costs of broadband facilities not funded by a grant from the Broadband Infrastructure Grant Account.”² SB 1040 also expanded the CASF fund from \$100 million to \$225 million adding \$100 million to the Infrastructure Grant Account with and allocating \$10 million and \$15 million to the Consortia Grant Account and the Revolving Loan Account, respectively.³

On February 1, 2012, the Commission approved D.12-02-015 to implement new guidelines for the Infrastructure Grant and Revolving Loan Accounts. Key provisions of the Decision include:

- A maximum CASF grant award of 70 percent of project costs for unserved areas and 60 percent for underserved areas;
- A definition of an underserved area, “where broadband is available, but no wireline or wireless facilities-based provider offers service at advertised speeds of at least 6 megabits per second (Mbps) downstream and 1.5 Mbps upstream (6 Mbps/ 1.5 Mbps) ;” and
- A Revolving Loan Program to provide supplemental financing for projects also applying for CASF grant funding (up to 20% of projects costs, with a maximum of \$500,000), utilizing the same project and applicant eligibility requirements as the Infrastructure Grant Program.

Consequently, on May 10, 2012, the Commission approved Resolution T-17362 which established the application deadlines for the CASF Broadband Infrastructure Grant Account and the Revolving Loan Account as follows:

- October 1, 2012, for unserved areas;
- February 1, 2013, for underserved areas not previously funded by the CASF and hybrid projects that cover both unserved and underserved areas; and,
- A date to be determined for projects in underserved areas where the existing broadband infrastructure was partially funded by a CASF grant.

On February 1, 2013, the Karuk Tribe, in collaboration with its project partner, the Yurok Tribe, submitted an application for CASF funding to bring broadband to the unserved

¹ Stats. 2010, c. 317, codified at P.U. Code § 281

² P.U. Code § 281(e)

³ P.U. Code § 281(b)(1)¹

communities of Orleans, Weitchpec and Orick and the underserved areas of Johnsons, ~~Trinidad~~, Wautech, and other unincorporated areas of Humboldt County.

3. ~~III.~~ NOTICE/PROTESTS

Communications Division (CD) posted the proposed project area map, census block groups (CBGs) and zip codes by county for the Klamath River Rural Broadband Initiative Project on the Commission's CASF webpage under "Pending New CASF Applications to Offer Broadband as of February 11, 2013." CD received no challenges to the proposed project area.

4. ~~IV.~~ DISCUSSION

This Resolution adopts CD's recommended CASF fund award of \$6,602,422 for the Karuk Tribe for its Klamath River Rural Broadband Initiative (KRRBI) Project. This award represents 51.5% of the total project cost of \$12,815,748. Key project information and a map of the proposed project are shown on pages A-1 ~~and~~ through A-~~24~~ of Appendix A, ~~respectively~~.

A. Project Overview

The Karuk Tribe, which holds a Certificate of Public Convenience and Necessity (CPCN) number U-7235-C and the Yurok Tribe (The Tribes), created the KRRBI to deploy broadband in their highly rural, isolated, unserved and underserved tribal lands to enable the members of their tribes, who live in extremely rural and frontier environments in Northern Humboldt County, to obtain high speed Internet access. The Yurok Tribe currently operates a fixed wireless broadband network to serve a portion of their Tribe. The Karuk and Yurok Tribes have signed Letters of Intent stating that if the Karuk Tribe is awarded the CASF grant, both Tribes will roll their separate broadband operations into a new single entity so they can achieve economies of scale to serve both of their respective Tribes and their surrounding neighbors. At that time, a more formal government-to-government agreement will be drafted, based on the Letters of Intent. The Karuk Tribe will serve as the lead applicant and fiscal agent for the CASF grant including being responsible for all compliance and reporting.

The Karuk Tribe requested a CASF grant of \$6,602,422 to match The Tribes' funding of \$6,213,326, coming primarily from grants that The Tribes obtained from the U.S. Department of Agriculture's Rural Utilities Service (USDA-RUS).

The Karuk Tribe obtained a \$1.14 million USDA-RUS Community Connect Broadband grant in August 2011 to connect the Karuk Community Computer Center, located in Orleans, by way of fiber optic cable that links with Siskiyou Telephone's existing fiber optic node, 3.5 miles east of Orleans. The Karuk Tribe is proposing to integrate this fixed wireless broadband network in Orleans into the KRRBI network that they are seeking CASF funding to build.

The Yurok Tribe was awarded \$4.96 million by the USDA's High Energy Cost Grant program (USDA-HECGP) in November 2011 to build power and utility pole infrastructure on ~~Highway~~[California Route](#) 169 and is part of the KRRBI Project. These utility poles will be the infrastructure upon which 20.5 miles of middle mile fiber optic cable will be strung along ~~Highway~~[California Route](#) 169 between Weitchpec and Wautech.

The proposed CASF project builds upon these USDA-funded projects. The Karuk Tribe is seeking CASF funding to construct an 82.3 mile fiber optic middle mile network to extend broadband from Orleans to the communities of Weitchpec, Wautech, Johnsons, ~~and Orick-~~[and Trinidad](#), in addition to residents, anchor institutions and businesses along the way. In addition, the CASF funding would pay for the installation of a series of last mile fixed wireless broadband radios to provide last mile wireless broadband to members of The Tribes, businesses, anchor institutions and other community members along the way. When completed, the project will reach an estimated ~~664~~[616](#) households (~~343~~[295](#) unserved and 321 underserved) and 170 businesses in highly rural and isolated areas in Northern Humboldt County, at maximum advertised speeds of 6 Mbps download and 2 Mbps upload. A map of the proposed fiber optic route and project area is shown on page A-4 of Appendix A.

The CBGs impacted by the project area are:

060230101023
060230101022
060230102001
060230101021

The project area includes the following twenty two (22) anchor institutions, which expect to benefit from this broadband project:

Fire & Police:

Public safety office- Tribal police & fire – transfer center – near weitchpec
Yurok Tribal Fire – Tuley Creek – near Weitchpec

Wautec Fire House
Bald ~~Hill~~[Hills](#) Rd – ~~National Park Service~~[Cal Fire Elk Camp Forest](#) Fire Station
Orick – Volunteer Fire Department
Orick – Cal-Fire Elk camp
Redwoods National and State Parks South Operations Center, Orick, Ca⁴
Orleans Volunteer Fire Dept

Schools:

Orick School District – Elementary
Orleans Elementary
Weitchpec – Magnet School
Wautec Jack Norton Elementary
Head Start - Ka Pel – ~~Hwy~~[California Route](#) 169
Orleans Head Start

Health Care:

UIHS – Weitchpec
Orleans Medical Clinic

Tribal Offices:

Yurok Tribal Government Weitchpec
Karuk Tribe DNR – Orleans
Karuk Tribe Computer/Senior Center – Orleans
Karuk Panamnik Community Center - Orleans

Cal-Trans:

Cal-Trans Maintenance Station – Orleans

USDA Forest Service:

6 Rivers Ranger Station - Orleans

Broadband Pricing

The Karuk Tribe has committed to a broadband pricing plan under the terms shown below. No customer commitment is necessary to obtain the pricing shown below. Even though the Commission requires a two year price commitment, the Karuk Tribe has committed to maintaining their broadband service monthly prices for five years, starting

⁴ [The Redwood National and State Parks South Operations Center \(SOC\) facility has existing high-speed Internet capabilities. The proposed project would improve communications for the first responders stationed at SCO with other fire & police entities that do not currently have broadband capabilities.](#)

from the project's beginning date of service. Additionally, the Karuk Tribe has committed to waiving installation fees for two years, as required by the Commission in D.12-02-015.

	Monthly Fee for Standalone Broadband Service
Basic service (Up to 0.5 / 0.5 Mbps)	\$30
Mid- range service (Up to 3.0 Mbps/ 2 Mbps)	\$50
Premium service (Up to 6 Mbps/ 2 Mbps)	\$70
Business Class service (Up to 10 Mbps/ 2 Mbps)	\$100
	Non-recurring Charges
Shipping and Handling	\$14.95
Modem (optional)	\$4.95
Installation	\$50 – Waived for a minimum of two years starting from the project's beginning date of service.

B. Project Qualification

To qualify under the CASF program, the applicant is required to submit proof that the area is unserved or underserved by submitting shapefiles of the proposed project. CD reviews the submitted shapefiles and compares them with United States 2010 Census data and the ~~revised July 31, 2012,~~ [California Interactive Broadband Availability maps map, which contains broadband availability data as of June 30, 2012.](#) Once CD determines that the area eligible either as an unserved or underserved area, CD evaluates all other information submitted by the applicant to determine if the project meets the requirements as outlined in D.12-02-015. Other information CD reviews includes: proof of a Certificate of Public Convenience and Necessity (CPCN) from the Commission; descriptions of current and proposed broadband infrastructure; number of potential subscriber households and average incomes; project construction schedule; project budget; proposed pricing and commitment period for new subscribers; and financial viability of the applicant.

As an initial step in the review of the Karuk Tribe's application, CD checked the CBGs submitted in the project application to determine that the project area was indeed unserved or underserved. ~~In doing so, CD~~ The California Interactive Broadband Availability map shows broadband availability at served speed by satellite providers Hughes.net, ViaSat Communications, and Skycasters LLC. However, as adopted in D.12-02-015, the Commission does not consider satellite broadband service in CASF project evaluation, unless the satellite project is in an area that was previously CASF funded⁵. CD also found that there were no providers of broadband in most of the areas, so they are considered unserved. In approximately 30% of the area, US Cellular offers mobile broadband at speeds of less than 2 Mbps, so those areas were deemed underserved.

Additionally, CD requested greater detail for the project budget and estimated economic life of assets to be funded. In this process, CD questioned certain line items in the proposed budget (e.g. personnel training costs, full funding of purchase of trucks and other heavy equipment; inclusion of contingency; potential underestimation of environmental and permitting costs; performance bond cost). Consequently, the Karuk Tribe submitted a revised budget to CD on September 10, 2013. The revised budget shows a total project cost of \$12,815,748, with the CASF grant request of \$6,602,422 or 51.5% of the total cost.⁴⁶

C. Project Evaluation and Recommendation for Funding

CD evaluated the application with respect to the scoring criteria defined in D.12-02-015, Appendix 1, Section VIII (Scoring Criteria). The Scoring Criteria include: (i) Funds Requested per Potential Customer, (ii) Speed, (iii) Financial Viability, (iv) Pricing, (v) Total Number of Households in the Proposed Area, (vi) Timeliness of Completion of Project, (vii) Guaranteed Pricing Period, and (viii) Low-Income Areas. In addition, five (5) bonus points are added to the score of an applicant ~~who~~that is able to submit local government and community endorsements or letters of support.

Even though the KRRBI Project did not score as highly as other project applications, several factors contribute to CD's recommendation to fund this application.

⁵ This determination was based on the limited speed capabilities of satellite services, the cost to the consumer, high latency, and unreliability known at the time of the decision, D. 12-02-015 at 13-15. Since that time, like other technologies, satellite services have improved.

⁴⁶ The Karuk Tribe's initial application shows an estimated total cost of \$12,203,748, with a CASF funding request of \$6,102,422 (or 49% of the initial total).

1. The project would be built on highly rural, isolated, unserved and underserved tribal lands that will obtain broadband as a result of this project.
2. ~~343~~295 unserved and 321 underserved households will benefit from the built out of the project.
3. The communities that will be served have low median household incomes.
4. The pricing offered is very competitive and the applicant has committed to keep the broadband service monthly price at this level for five years; exceeding the Commission's minimum 2 year requirement.
5. The cost per household is primarily driven by the middle mile segment that is required to deliver the last-mile fixed wireless service. Otherwise, without the costs of the middle-mile, the project cost per household is significantly less.
6. This CASF grant would extend the broadband access point that is in the process of being constructed in Orleans, by 82.3 miles to the communities of Weitchpec, Wautech, Johnsons and Orick, in addition to residents, anchor institutions and businesses along ~~Highways~~California Route 96 and US Highway 101. In addition, the CASF funding would pay for the installation of a series of last mile fixed wireless broadband radios to provide last mile wireless broadband to members of The Tribes, businesses, anchor institutions and other community members.
7. There is a very high probability that once this project is completed, the nearby Hoopa Tribe and community of Willow Creek will seek to connect to the middle mile network that this CASF project will build, to deploy fixed wireless broadband to more than 3,000 households in their communities.^{~~57~~}

In addition, the following organizations wrote letters of support for this application: Humboldt State University, United Indian Health Services, The Orick Chamber of Commerce, The Orleans Elementary School, Neratech, a Humboldt County technology consulting business, and Kayak Zak's. These letters highlight the lack of basic utilities and services in the area, and the critical educational, health, economic, and safety benefits that broadband access will bring to these communities.

The KRRBI Project proposal overlaps an area where CASF has received a separate project proposal for a larger a middle-mile project in Northern California. The overlap covers the middle mile segment from Orleans to Weitchpec. The separate project proposal was heavily challenged since it encompasses a much larger area and it is still under review by CD staff. Meanwhile, CD staff has checked with the KRRBI Project team to determine if it is building sufficient fiber strands and capacity is being built into the KRRBI middle-mile

^{~~57~~} This information was provided by Eric Cutright, the Project Director for this CASF application.

part of the project to ensure that the network is able to support future demand such as access to dark fiber to wholesale providers. The Karuk Tribe has confirmed that enough fiber and capacity will be built to support future demands. In its application, KRRBI states that two conduits will be placed in a ditch and a single, 72 strand fiber optic cable will be placed in one of these conduits. The unallocated fiber strands and the unused conduit space will allow for future expansion of the system without additional ground disturbance. The KRRBI middle mile network shall be made available for wholesale access to other potential CASF grantees at reasonable rates and terms. These reasonable rates shall be at cost.

Safety Impact

The project area includes the following eight first responder agencies:

Fire & Police:

Public Safety Office- Tribal Police & Fire – Transfer Center – near Weitchpec

Yurok Tribal Fire – Tuley Creek – near Weitchpec

Wautec Fire House

Bald ~~Hill~~[Hills](#) Rd – ~~National Park Service~~[Cal Fire Elk Camp Forest](#) Fire Station

Orick – Volunteer Fire Dept

Orick – Cal- Fire Elk camp

Redwoods National and State Parks South Operations Center, Orick, Ca ⁸

Orleans Volunteer Fire Dept

Broadband will enable these and 14 other anchor institutions within the project area to assist in communicating with first responders in the event of an emergency. The project area is also located in a high-risk fire area and improved broadband speeds will facilitate the transmission of data and communications amongst first responders and the public. Lastly, faster broadband speeds might facilitate better training or distance learning for first responders.

5. ~~v.~~ COMPLIANCE REQUIREMENTS

The Karuk Tribe is required to comply with all the guidelines, requirements, and conditions associated with the granting of CASF funds as specified in D.12-02-015. Such compliance includes, but is not limited to the following:

A. California Environmental Quality Act (CEQA)

⁸ [See footnote number 4](#)

The Karuk Tribe's KRRBI Project is subject to the California Environmental Quality Act (CEQA) review and must follow the requirements listed below.

The applicants must provide the Proponent's Environmental Assessment (PEA) prior to the first 25% payment. The PEA submission should include information on any land crossing sites requiring discretionary or mandatory permits or environmental review pursuant to CEQA (including the type of permit required, the name of the permitting agency/agencies and the Lead Agency if an environmental review is required). Also, the applicant must agree to identify, prior to the first 25% payment, any other special permits required with a reference to the government agencies which grant these permits will be required for the project.

The Karuk Tribe has provided the Commission with construction plans for The KRRBI Project area. A series of fixed wireless broadband radios will be connected to the fiber optic access node in the Karuk Community Computer Center in Orleans to serve the anchor businesses in the community. Two antennae will be installed on the Karuk Tribal land at the south end of Orleans and on the Orleans Community Water District's water treatment plant to provide broadband access to the community using fixed wireless radios.

From there, 82.3 miles of middle mile fiber optic cable will be installed along country roads using micro trenching, trenching below roadways, or trenching along established right-of-ways, or be hung on joint use utility poles, to serve additional communities and anchor institutions along [Highways California Route](#) 96 and [US Highway](#) 101. The fiber route does not run along any scenic highways. In addition, this grant will be used to build last mile distribution for the Tribal and non-tribal communities as well as build and equip a new central office.

B. National Environmental Policy Act (NEPA) Review

The Karuk Tribe's KRRBI Project is subject to NEPA review as acknowledged in its application. For example, although the Bald Hills Road and US Highway 101 are not designated scenic highways, the National Park Service (NPS) is charged with managing scenery, as well as other natural and cultural resources. Installation of a fiber optic network through lands owned and managed by the NPS, including within the County right-of-way (ROW) along Bald Hills Road, will require a telecommunications ROW permit from the NPS for construction and operation of the network on parklands⁹. The

⁹ 16 USC §5, 16 USC §79, with implementing regulations at 36 CFR Part 14.

applicant for an NPS ROW must comply with NEPA, (42 U.S.C. §§ 4321 et seq.), and the National Historic Preservation Act (NHPA)(16 U.S.C. § 470 et seq.). The ROW application must demonstrate that installation and operation of the network will neither impair nor have unacceptable adverse effects on natural and cultural resources protected in the park¹⁰.

C. ~~B.~~ Deployment Schedule

The Commission expects the Karuk Tribe to complete the project within 24 months from the start date. If the applicant(s) is unable to complete the proposed project within the 24-month timeframe requirement established by the Commission, it must notify the Commission as soon as it becomes aware of this prospect. The Commission may reduce payment for failure to satisfy this requirement.

D. ~~C.~~ Execution and Performance

CD and the CASF grant recipient shall determine a project start date after the Commission has granted all approvals to the CASF grant recipient. Should the recipient or Contractor fail to commence work at the agreed upon time, the Commission, upon five (5) days written notice to the CASF recipient, reserves the right to terminate the award.

In the event that the CASF recipient fails to complete the project, in accordance with the terms of approval granted by the Commission, the CASF recipient must reimburse some or all of the CASF funds that it has received.

The CASF grant recipient must complete all performance under the award on or before the termination date of the award.

E. ~~D.~~ Performance Bond

The Commission does not require a Performance Bond if the applicant certifies that the percentage of the total project costs it is providing comes from their capital budget and is not obtained from outside financing.

In its application, the Karuk Tribe asserted that most of the matching funds will be coming from USDA grants that have been awarded to both the Karuk and Yurok Tribes. Since such grants have not been fully disbursed, a performance bond is required for this project. The Karuk Tribe ~~will provide a performance bond as soon as possible after the~~

¹⁰ 16 USC §1a-1 et seq.

~~completion of the CEQA review for their project.~~ must send an executed bond, equal to the total CASF grant as specified in Section V, item #20, in Appendix 1 of D.12-02-015.

E. ~~E.~~ Price Commitment Period

The Karuk Tribe guarantees the price of service offered in the project area for five years from the time the CASF funds are awarded.

G. ~~F.~~ Project Audit

The Commission has the right to conduct any necessary audit, verification, and discovery during project implementation ~~/and~~ construction to ensure that CASF funds are spent in accordance with Commission approval.

The recipient's invoices will be subject to a financial audit by the Commission at any time within three (3) years of completion of the work.

H. ~~G.~~ Providing Voice Service

The Karuk Tribe does not provide voice service and has no plans to offer voice service.

I. ~~H.~~ Reporting

Grantees must submit quarterly progress reports on the status of the project irrespective of whether grantees request reimbursement or payment. Before full payment of the project, the CASF recipient must submit a project completion report. Progress reports shall use both the schedule for deployment; major construction milestones and costs submitted in the proposals and indicate the actual date of completion of each task/milestone. Progress reports shall also indicate problems ~~/and~~ issues encountered, the actions taken to resolve these ~~issues/problems~~ and issues during project implementation and construction; and identify future risks to the project. Recipients shall also include test results on the download speed and upload speed on a per CBG and per ZIP Code basis in the final completion report. Recipients must certify that each progress report is true and correct under penalty of perjury.

I. Submission of Form 477

The Federal Communications Commission (FCC) currently requires broadband providers to submit Form 477 biannually and include speed data. While there is an imperfect

match between the current reporting areas for the Form 477 and CASF, Form 477 information will be useful in documenting CASF deployment for the specific new service area(s) of the carrier. CASF recipients shall submit a copy of their Form 477 data directly to the Commission, under General Order 66-C, when they submit this data to the FCC for a five year period after completion of the project.⁶¹¹

6. ~~VI.~~ PAYMENTS TO CASF RECIPIENTS

Submission of invoices from and payments to Karuk Tribe shall be made in accordance with Section ~~IX~~XI of Appendix ~~A~~1 of D.12-02-015 and according to the guidelines and supporting documentation required in that decision.

Payment to the Karuk Tribe shall follow the process adopted for funds created under Public Utilities Code §270. The following table describes the timeline for processing CASF payments.

Event	Payment Cycle 1 (Day/ Month)	Payment Cycle 2 (Day/ Month)
Invoices due from The Klamath River Rural Broadband Initiative, to CD	5 th of Month 1	20 th of Month 1
Payment letters from CD to Information and Management <u>Administrative Services Division (MSD)</u> ⁷¹²	On 19 th of Month 1	On 4 th of Month 2
Invoices submitted from IMSD <u>Administrative Services</u> to State Controller's Office (SCO) for payments	20 th through 26 th of Month 1	5 th through 13 th of Month 2

The Karuk Tribe may submit its invoices under Payment Cycle 1 or 2.

If any date in this payment schedule falls on a weekend or holiday, that date will be advanced to the next business day, but the remaining dates in the payment schedule will

⁶¹¹ Approval of the California Advanced Services Fund (CASF) Application Requirements and Scoring Criteria for Awarding CASF Funds (2008) Cal. P.U.C. Res. No. T-17143 at 4

⁷ ~~The above schedule is contingent on the CASF recipient submitting clear, complete, and error-free invoices to CD. Additional time to process payments may be necessary if CD finds problems with the submitted invoices.~~

¹² The above schedule is contingent on the CASF recipient submitting clear, complete, and error-free invoices to CD. Additional time to process payments may be necessary if CD finds problems with the submitted invoices.

remain unchanged. The State Controller's Office (SCO) requires 14- 21 days to issue payment from the day that requests are received by SCO.

~~7.~~ ~~VII.~~ COMMENTS ON DRAFT RESOLUTION

In compliance with ~~PUC~~[P.U.](#) Code § 311(g), a notice letter was emailed on September 13, 2013, informing all applicants filing for CASF funding and parties on the service list of R.06-06-028 and the CASF distribution list of the availability of the draft of this Resolution for Public Comments at the Commission's website <http://www.cpuc.ca.gov/PUC/documents/>. This letter also informed parties that the final confirmed Resolution adopted by the Commission will be posted and will be available at this same website.

The Commission received comments from the NPS clarifying the following:

1. The Redwood National and State Parks South Operations Center in Orick, CA have existing broadband capabilities.
2. Location of Bald Hills Rd. fire station facility
3. NPS Permit: Although Bald Hills Road and US Highway 101 are not designated scenic highways, the NPS is charged with managing scenery, as well as other natural and cultural resources. A telecommunications ROW permit is required from the NPS for construction and operation of the network on parklands.

In response to NPS's comments, clarifications are provided in the corresponding sections of this Resolution. Specifically, for the comments on environmental impact, the Karuk Tribe had identified various federal permits that will trigger NEPA in its original application, which were not mentioned in the draft Resolution. A new section labeled "National Environmental Policy Act (NEPA)" is therefore added following the current CEQA section.

No reply comments were submitted on this Resolution.

~~8.~~ ~~VIII.~~

FINDINGS

1. On May 10, 2012, the Commission approved Resolution T-17362 which established the application deadlines for the CASF Broadband Infrastructure Grant Account and the Revolving Loan Account as follows: October 1, 2012, for unserved areas; February 1, 2013, for underserved areas not previously funded by the CASF and hybrid projects that cover both unserved and underserved areas; and, a date to be determined for projects in underserved areas where the existing broadband infrastructure was partially funded by a CASF grant.
2. The Karuk Tribe filed an application for CASF funding for its KRRBI Project on February 1, 2013. The project will install an 82.3 mile middle mile fiber optic network as well as last mile wireless broadband networks to provide broadband access to eight first responder agencies, fourteen other anchor institutions, as well as ~~664~~616 households in Orick, Orleans, Johnsons, Wautech, Weitchpec, and other neighbors and businesses along the way. The CBGs impacted by the project area are: 060230101023, 060230101022, 060230102001, and 060230101021.
3. The Karuk Tribe, which holds CPCN number U~~7235~~C, is the lead partner and fiscal agent in a partnership with The Yurok Tribe for the KRRBI Project. Both Tribes have signed letters of intent stating that if the Karuk Tribe is awarded the CASF grant for this project, they will roll their separate broadband operations into a new single entity so they can achieve economies of scale to serve both of their respective Tribes and their surrounding neighbors. At that time, a more formal government-to-government agreement will be drafted, based on the letters of intent.
4. CD posted the proposed project area map, CBGs and zip codes by county for the Karuk Tribe - KRRBI Project on the Commission's CASF webpage under "Pending New CASF Applications to Offer Broadband as of February 11, 2013." No parties challenged this application.
5. CD reviewed and analyzed data submitted for the Karuk Tribe CASF grant application to determine the project's eligibility for CASF funding. ~~These~~This data ~~include~~includes, but ~~are~~is not limited to: proof of a CPCN from the Commission; descriptions of current and proposed broadband infrastructure; geographic information system (GIS) formatted shapefiles mapping the subject areas; assertion that the area is underserved; potential subscriber size and household incomes;

project construction schedule; project budget; proposed pricing and commitment period for new subscribers; and financial qualifications of the applicant.

6. CD reviewed the submitted shapefiles, which mapped the proposed broadband deployment using United States 2010 Census data and the revised July 31, 2012 California Broadband Availability Maps. These Maps helped to verify the existence or nonexistence of broadband service areas and broadband speeds, where available.
7. Based on its review, CD determined that the project qualifies for funding under D. 12-02-015 and recommends Commission approval of CASF funding for the Karuk Tribe's KRRBI Project.
8. The Karuk Tribe will build the KKRBI Project middle-mile segment ~~is being built~~ to allow for future expansion of the network without additional ground disturbance.
9. The Karuk Tribe must post a performance bond ~~within five days after receiving notification that the project passed the CEQA review.~~ equal to the total CASF grant as specified in Section V, item #20, in Appendix 1 of D.12-02-015.
10. The Karuk Tribe must comply with all guidelines, requirements, and conditions associated with the granting of CASF funds as specified in D. 12-02-015 ~~such as compliance with CEQA and~~ must submit the ~~submission of~~ FCC's Form 477, ~~among others as specified in Resolution T-17143.~~
11. The Commission finds CD's recommendation to fund Karuk Tribe's KRRBI Project, as summarized in Appendix A, to be reasonable and consistent with Commission orders and, therefore, adopts such recommendation.
12. The Commission must complete CEQA review prior to disbursing CASF funds for construction activities.
13. The Karuk Tribe's KRRBI Project is subject to NEPA review as acknowledged in its application.
14. The Karuk Tribe shall submit the PEA to Commission staff prior to the first 25% CASF payment.

15. ~~12.~~ A notice letter was emailed on September 3, 2013 informing all applicants filing for CASF funding and parties on the service list of R.06-06-028 of the availability of the draft of this Resolution for public comments at the Commission's website <http://www.cpuc.ca.gov/PUC/documents/>. This letter also informed parties that the final conformed Resolution adopted by the Commission will be posted and available at this same website.

~~13. The Commission must complete CEQA review prior to disbursing CASF funds for construction activities.~~

16. NPS submitted comments on draft Resolution T-17418. Clarifications were included in the appropriate section of this Resolution in response to these comments. No reply comments were submitted on this Resolution.

THEREFORE, IT IS ORDERED that:

1. The Commission shall award funding of \$6,602,422 from the CASF to the Karuk Tribe for its Klamath River Rural Broadband Initiative Project as described in the Discussion section and summarized in Appendix A of this Resolution
2. The Karuk Tribe shall post a performance bond equal to the total CASF grant as specified in Section V, item #20, in Appendix 1 of D.12-02-015.
3. ~~2-~~The program fund payment of \$6,602,422 for this unserved / underserved project shall be paid out of the CASF fund in accordance with the guidelines adopted in D. 12-02-015, including compliance with CEQA.
4. ~~3-~~Payments to the CASF recipient shall be in accordance with Section ~~IX~~XI of Appendix ~~A~~1 of D. 12-02-015 and in accordance with the process defined in the "Payments to CASF Recipients" section of this Resolution.
5. ~~4-~~The CASF fund recipient, The Karuk Tribe, shall comply with all guidelines, requirements and conditions associated with the CASF funds award as specified in D.12-02-015 and must submit the FCC Form 477, as specified in Resolution T-17143.
6. ~~5-~~The KRRBI middle mile network shall be made available for wholesale access to other potential CASF grantees at reasonable rates and terms. These reasonable rates shall be at cost.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on October 17, 2013. The following Commissioners approved it:

PAUL CLANON
Executive Director

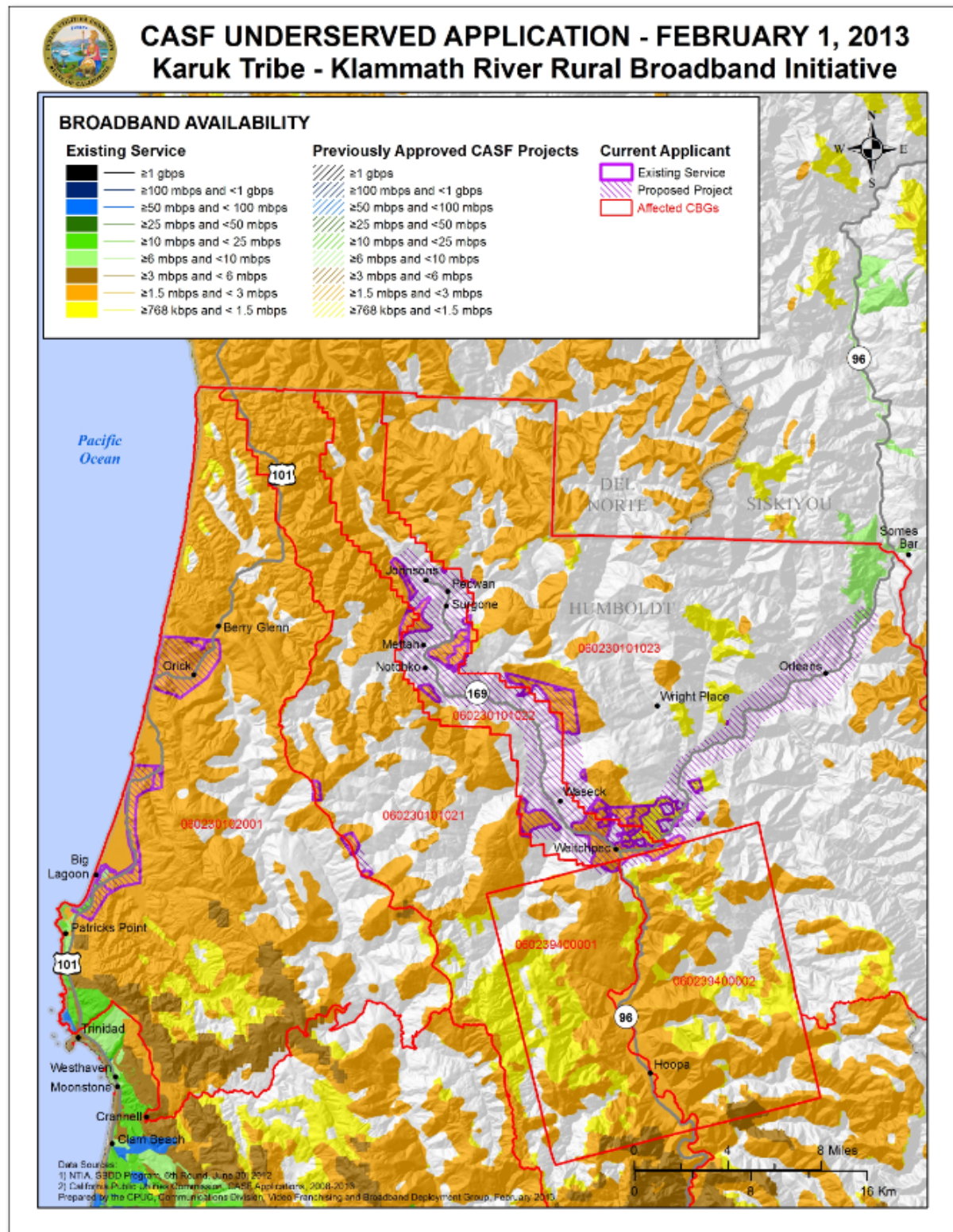
**APPENDIX A
Resolution T -17418**

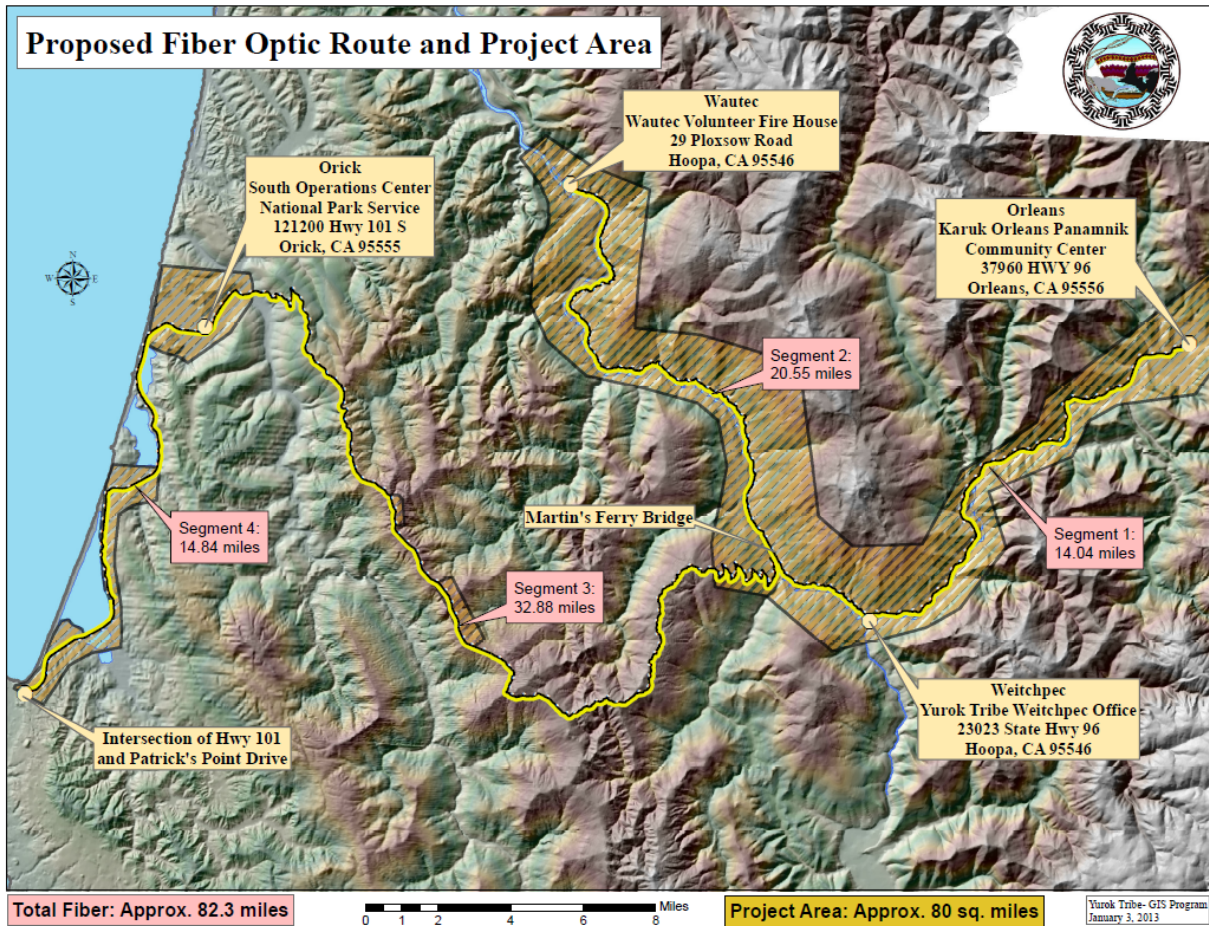
**The Karuk Tribe Klamath River Rural Broadband Initiative Project
Key Information**

<i>Project Name</i>	The Karuk Tribe Klamath River Rural Broadband Initiative Project
<i>Project Plan</i>	The project will install an 82.3 mile middle mile fiber optic network as well as provide last mile fixed wireless broadband access to eight first responder agencies and fourteen other anchor institutions as well as 664 616 households in Orick, Orleans, Waitec, Johnsons and Weitchpec.
<i>Project Size (in square miles)</i>	80 square miles
<i>Download/ upload speed (in Mbps)</i>	6 Mbps/ 2 Mbps
<i>Location</i>	Humboldt County
<i>Community Name</i>	Orleans, Orick, Waitec, and Weitchpec.
<i>CBGs/ Household Income</i>	060230101021 / \$26,701
	060230101023 / \$34,964
	060230101022 / \$24,375
	060230102001 / \$41,944
<i>Zip Codes</i>	95546
	95556
	95555
	95570
	95525
<i>Estimated Potential Subscriber Size Households/ Subscribers</i>	664 616
<i>Deployment Schedule (from Commission approval date)</i>	24 months
<i>Proposed Project Budget</i>	
<i>Total</i>	\$12,815,748
<i>Amount of CASF Funds requested (51.52%)</i>	\$6,602,422

<i>Internally funded (48.48%)</i>	\$6,213,326
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Document comparison by Workshare Compare on Wednesday, October 16, 2013 10:27:05 AM

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Description	T-17418 Res A (Rev1) CASF - Karuk Tribe
Rendering set	Standard

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Deletion	
Moved from	
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Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

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Moved to	1
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