

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

**Communications Division  
Broadband, Video, and Market Branch**

**RESOLUTION T- 17565  
May 11, 2017**

**RESOLUTION**

**Resolution T-17565: Approving the Categorical Exemption prepared in compliance with the California Environmental Quality Act for the Bright Fiber Project; and authorizing the release of California Advanced Services Fund grant monies to the Bright Fiber Network, Inc., (U-7287C) to construct the Bright Fiber Project.**

---

**I. SUMMARY**

This Resolution approves a categorical exemption prepared in compliance with the California Environmental Quality Act (CEQA)<sup>1</sup> for the Bright Fiber Project, which will extend high-speed Internet service to approximately 21 square miles and 1941 households in underserved Nevada County communities, generally between the outskirts of Grass Valley and Colfax. This Resolution also authorizes the release of California Advanced Services Fund (CASF) grant funding to the Bright Fiber Network, Inc. (U-7287C) to construct the Bright Fiber Project.

**II. BACKGROUND**

On December 4, 2015, the Commission adopted Resolution T- 17495, conditionally authorizing a CASF grant of \$16,156,323 and a CASF loan of \$500,000 to Bright Fiber, Inc., to construct the Bright Fiber Project, subject to the Commission's completion of CEQA review. The grant represented 59.3 percent of the total estimated project cost of \$27,232,418 with loans (both private and from the CASF) and internal funds contributing the remaining 40.7 percent.

**III. ENVIRONMENTAL COMPLIANCE DISCUSSION**

The Commission's decision in Resolution T-17495 to conditionally grant funding under the CASF triggers the requirement that the Commission act as the lead agency for

---

<sup>1</sup> California Public Resources Code, Sections 21000 *et seq.*  
186680588

environmental review pursuant to CEQA. Consistent with the Commission's requirements, Bright Fiber, Inc., provided a Proponent's Environmental Assessment (PEA) to the Energy Division's Infrastructure Permitting and CEQA Unit in January 2017. After reviewing the information contained in the PEA, the CEQA Unit determined that the project is categorically exempt from CEQA.

The project will be located southeast of Grass Valley and will include the unincorporated communities of Peardale, Chicago Park, Cedar Ridge, and La Barr Meadows as well as the underserved outskirts of Grass Valley itself. Much of the project is oriented along State Route 174. The project will include approximately 118 miles of fiber optic cable, including 16 miles associated with project laterals. Conduit and fiber optic cable will be installed underground within all public roadways within the project area.

Based on the information contained in the PEA, the entire project qualifies for the following categorical exemptions from CEQA: CEQA Guidelines Section 15303 – New Construction or Conversion of Small Structures, involving construction, installation, and/or conversion of limited numbers of new and/or existing facilities/structures, and CEQA Guidelines Section 15304 – Minor Alterations to Land, involving minor trenching and backfilling where the surface is restored.

#### **IV. RELEASE OF CASF FUNDS**

Resolution T- 17495 awarded Bright Fiber, Inc., a CASF grant of \$16,156,323 and a loan of \$500,000 to construct the Bright Fiber Project contingent on compliance with applicable environmental requirements.<sup>2</sup> Given the CEQA Unit's conclusion as discussed in the prior section, Bright Fiber has satisfied the CEQA Compliance Requirements stated in Resolution T-17495. Therefore, the Commission shall authorize CASF grant funds to be released for the construction of the Bright Fiber Project, in accordance with the scope and budget specifications provided in Resolution T-17495.

#### **V. SAFETY IMPACT**

The Bright Fiber Project is located in the rural foothills of the Sierra Nevada Mountains. Telephone and broadband access to emergency services is essential in these remote areas, where the threat of fire, harsh weather conditions, and other disasters can have severe impacts. During these types of emergencies, the first responders rely on the local communication network to acquire information and communicate with others.

While CD did not identify any public safety anchor institutions are located within the adjusted boundaries of the project, several private medical facilities stand to benefit from

---

<sup>2</sup> Resolution T-17495, Section V. A., issued December 3, 2015, at 19.

the increased bandwidth of the Bright Fiber Project. Moreover, the Bright Fiber project will facilitate the community's interaction with first responders and health care professionals by supplying ubiquitous broadband service and providing supplemental telecommunications infrastructure in a largely rural area. As an example, the Grass Valley Interagency Command Center, which serves as a Public Safety Answering Point (PSAP) and dispatch center for CAL FIRE and US Forest Service ground and aviation firefighting units in the region, is located directly across the street from the subsidized boundaries of this project.

## **VI. COMMENTS ON DRAFT RESOLUTION**

In compliance with Pub. Util. Code, §311(g), a notice letter was emailed on March 30, 2017, informing all parties on the CASF Distribution List of the availability of the draft of this Resolution for public comments at the Commission's documents website at <http://www.cpuc.ca.gov/documents/>. This letter also informed parties that the final conformed Resolution adopted by the Commission will be posted and available at the same website. The Commission received no public comments.

## **VII. FINDINGS**

1. Resolution T-17495 (issued December 3, 2015) conditionally authorized a CASF grant of \$16,156,353 and a CASF loan of \$500,000 to Bright Fiber, Inc., to construct the Bright Fiber Project, subject to the Commission's completion of CEQA review.
2. The Commission is the lead agency under CEQA for environmental review of the Bright Fiber Project.
3. The applicant provided the required PEA to Energy Division's CEQA Unit in January 2017.
4. Based on the information contained in the PEA, the project is categorically exempt from CEQA, consistent with CEQA Guidelines Section 15303 – New Construction or Conversion of Small Structures, involving construction, installation, and/or conversion of limited numbers of new and/or existing facilities/structures, and CEQA Guidelines Section 15304 – Minor Alterations to Land, involving minor trenching and backfilling where the surface is restored.
5. Energy Division's CEQA Unit notified Communications Division of its finding via e-mail on February 24, 2017.

6. With the adoption of this Resolution, Bright Fiber, Inc., has satisfied the environmental conditions required to release funds for the construction of the Bright Fiber project, as set forth in Resolution T-17495.<sup>3</sup>
7. Bright Fiber is required to comply with all provisions in Resolutions T-17495 and T-17565.
8. A notice letter was e-mailed on March 30, 2017, informing all parties on 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 available at this same website. The Commission received no public comments.

**THEREFORE IT IS ORDERED THAT:**

1. The Commission authorizes \$16,156,353 in CASF grant funds and a CASF loan of \$500,000 to be released for the construction of the Bright Fiber Project, in accordance with the scope, budget specifications, and payment guidelines provided in Resolution T-17495.
2. Bright Fiber, Inc., shall comply with all guidelines, requirements, and conditions associated with the CASF funds award as specified in D.12-02-015, Resolutions T-17495 and T-17565.
3. In the event that the Bright Fiber, Inc., fails to complete the project in accordance with the terms of approval granted by the Commission in Resolutions T-17495 and T-17565, Bright Fiber, Inc., must reimburse some or all of the CASF funds that it has received.

---

<sup>3</sup> Resolution T-17495, Section V. A., issued December 3, 2015, at 19.

Resolution T- 17565  
CD/BJ

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on May 11, 2017. The following Commissioners approved it:

/s/ Timothy J. Sullivan

TIMOTHY J. SULLIVAN

Executive Director

MICHAEL PICKER

President

CARLA J. PETERMAN

LIANE M. RANDOLPH

MARTHA GUZMAN ACEVES

CLIFFORD RECHTSCHAFFEN

Commissioners