ATTACHMENT 1

Revised CASF Program Guidelines

Table of Contents

1. Background 3
2. Amount Available for Grants 3
   - 2.1. Background 3
   - 2.2. Funding Criteria 4
   - 2.3. Process for Review 7
3. Definitions 7
4. Eligible Applicants 10
5. Eligible Projects 10
   - 5.1. Middle Mile Funding 11
   - 5.2. Open Access 11
   - 5.3. Previous CASF Areas 14

6 Performance Criteria 14
7 Reimbursable Expenses 15
8 Information Required from Applicants 16
- 8.1 Application Item 1 – Project Summary (Distributed Publicly) 16
- 8.2 Application Item 2 – Applicant Entity Information 18
- 8.3 Application Item 3 – Description of the Applicant's Current Broadband Infrastructure and Existing Infrastructure in the Area 19
- 8.4 Application Item 4 – Project Location Data 19
- 8.5 Application Item 5 - Median Income 20
- 8.6 Application Item 6 – Project Eligibility 20
- 8.7 Application Item 7 - Deployment Schedule 21
- 8.8 Application Item 8 - Proposed Project Expenditures 21
- 8.9 Application Item 9 – Economic Life of All Assets to be Funded 22
- 8.10 Application Item 10 – Letter of Credit Requirement 22
- 8.11 Application Item 11 – Pricing Commitment 23
- 8.12 Application Item 12 – Marketing/Outreach Plan 24
- 8.13 Application Item 13 – Government and Community Support 24
- 8.14 Application Item 14 – Funding Sources 24

8.15 Application Item 15 - Financial Qualifications 25
8.16 Application Item 16 – Project Viability 25
8.17 Application Item 17 – Providing Voice Service 26
8.18 Application Item 18 – CEQA Attestation 26
8.19 Application Item 19 – Application Checklist 26
8.20 Application Item 20 – Affidavit 26
9 Submission and Timelines 27
10 Posting of Applications 28
11 Project Challenges 28
12 Ministerial Review 30
13 Reporting Requirements 32
14 Payment 35
15 CEQA Payment 36
16 Execution and Performance 37
16.1 Construction Phase 37
16.2 Post-Construction Phase 38
17 Compliance Changes Pursuant to CASF Performance Audit 38
18 Penalties 39

Attachments:
Attachment A – Information Sheet
Attachment B – Application Checklist
Attachment C – Notarized Affidavit
Attachment D – Consent Form
Attachment E – Sample Open Access Requirement

1. Background

The CASF program was first authorized in 2007 via California Public Utilities Commission (Commission or CPUC) Decision (D.) 07-12-054. The Legislature subsequently codified the program in California Public Utilities Code (Pub. Util. Code) Section (§) 281, and later modified the program via subsequent legislation. Pub. Util. Code § 281 directs the Commission, among other things, to "encourage deployment of high-quality advanced communications services to all Californians that will promote economic growth, job creation, and the substantial social benefits of advanced information and communications technologies…." (Pub. Util. Code § 281(a)). Legislative modifications and other program refinements were implemented in Rulemaking (R.)12-10-012. Additional modifications have been implemented in R.20-08-021 pursuant to legislation adopted in 2021 that modified the program rules specified in Pub. Util. Code § 281.

This document represents the most up to date program requirements and guidelines for the Broadband Infrastructure Grant Account. It incorporates modifications related to definitions of unserved areas and eligibility requirements for providers and projects, and prioritization of projects, among other requirements adopted in D.21-03-006, non-substantive revisions to reflect the Commission's experience with the program, and typographical edits.

2. Amount Available for Grants

2.1. Background

Senate Bill (SB) 156, Assembly Bill (AB) 14, and SB 4, signed by the Governor in 2021, authorize the Commission to collect up to $150 million per year until December 31, 2032 for use by the CASF program. D.22-05-029 adopted a process by which Staff may propose via resolution allocations for distributing the total annual CASF budget across the individual CASF program accounts, including the Broadband Infrastructure Account, to be disbursed in compliance with the rules and guidelines established in R.20-08-021.

2.2. Funding Criteria

Pub. Util. Code § 281(f)(11) allows the Commission to fund all or a portion of a project, on a case-by-case basis. The Commission must consider "the location and accessibility of the area, the existence of communication facilities that may be upgraded to deploy broadband, and whether the project makes a significant contribution to achieving the program goal." The Commission may also consider any other factors it deems appropriate. Additionally, Pub. Util. Code § 281(b)(2)(B)(i) requires the Commission to "[p]rioritize projects in unserved areas where internet connectivity is available only at speeds at or below 10 [megabits per second, or mbps] downstream [or download] and 1 mbps upstream [or upload] or areas with no internet connectivity."

To determine the funding level for a project, the Commission will consider the following factors:

- Areas with no Internet connectivity (Pub. Util. Code § 281(b)(2)(B)(i)) are eligible for up to 100 percent funding. All other eligible project areas will be eligible for a baseline funding amount of 60 percent of construction costs, as shown in the funding criteria table below.
- Location and accessibility of the area – Project areas meeting three of the following six characteristics are eligible for an additional 10 percent funding:
    1. The proposed project area contains rugged or difficult terrain (e.g., mountains, desert, national or state forest);
    2. The proposed project area is an unincorporated community;
    3. The proposed project area is more than 10 miles from the nearest hospital;
    4. The proposed project area is more than 10 miles from the nearest state or federal highway; and/or
    5. The proposed project area is located in a rural census block, as defined by the U.S. Census Bureau.

6. The proposed project area is within an extreme or elevated fire threat area as defined by the CPUC Fire-Threat Map.[1]

- Existence of communication facilities that may be upgraded to deploy broadband – project areas in which the applicant relies primarily on existing infrastructure, including poles and conduit, and thus may be less expensive to build, are eligible for an additional 10 percent of funding.
- Whether the project makes a significant contribution to achieving the program goal – project areas within a Broadband Consortium region that have not yet reached the goal of deploying broadband Internet service at speeds of 25 mbps download and 3 mbps upload to 98 percent of households are eligible for an additional 10 percent funding.
- Low-income service – project areas for which Staff determines that the latest U.S. Census Bureau American Community Survey (ACS) 5-year median household income is at or below 80 percent of the statewide median income or the threshold designated as low income by the Department of Housing and Community Development's list of state income limits adopted pursuant to Section 50093 of the Health and Safety Code, shall be eligible for an additional 30 percent funding.[2] Projects with low-income households that (1) offer California LifeLine and/or federal Lifeline service to low-income customers, or (2) offer a low-income broadband plan for no more than $15/month co-pay (i.e., out-of-pocket expense), or (3) participate in the Affordable Connectivity Plan (ACP) or otherwise provide access to a broad-based affordability program for low-income customers in the proposed service area of the broadband infrastructure, that provides benefits to households commensurate with those provided under the ACP, for a guaranteed minimum of five (5) years shall be eligible for an additional 10 percent

[1] *See* https://files.cpuc.ca.gov/safety/fire-threat_map/2021/CPUC%20Fire%20Threat%20Map_v.3_08.19.2021.Letter%20Size.pdf

[2] Health and Safety Code section 39713(d)(2). The California Department of Housing and Community Development annually estimates a statewide median income and low income thresholds, by county, for its housing assistance programs. Annual State Income Limits are accessible at the following url: https://www.hcd.ca.gov/state-and-federal-income.

funding. Should the ACP end, the Commission will identify a successor low-income subsidy program in its place.[3]

Summary of Funding Criteria

Maximum Funding Level: 100%
Baseline for Eligible Projects in areas with no internet connectivity: 100% of total construction costs[4]
Baseline for Eligible Projects in areas with internet connectivity: 60% of total construction costs
Low Income: Up to + 40% of total construction costs • Project area is a low-income area, as defined in Section 3 (Definitions) (30%). • For a guaranteed minimum of five (5) years, applicant: (1) offers California LifeLine and/or federal Lifeline service to low-income customers; (2) offers a low-income broadband plan for no more than $15/month co-pay; or (3) participates in the Affordable Connectivity Plan or otherwise provides access to a broad-based affordability program with commensurate benefits (10%).[5]
PU Code Sec 281 (f)(11) Criteria: ± 10% per criterion, up to ± 20% of total construction costs • Inaccessible location (10%) • Uses existing outside plant infrastructure (10%) • Makes a significant contribution to the program goal (10%)

[3] *See:* https://www.fcc.gov/acp.

[4] The percentage of additional funding will be proportional to the percentage of serviceable locations in the project area that have no internet connectivity.

[5] The California LifeLine and/or federal Lifeline service offering and/or the ACP (or a program with commensurate benefits) must be offered throughout the entire project area and must meet all of the CASF performance criteria.

2.3. Process for Review

Applications for projects in areas where service currently offered is below 10 mbps download and 1 mbps upload will be considered first, followed by low-income areas, in order from lowest to highest income.

3. Definitions

"Broadband Map" means the California Interactive Broadband Map showing served status and eligibility, maintained by the Commission. (http://www.broadbandmap.ca.gov/) All applicants and grantees (otherwise referred to as grant recipients or recipients) must participate in the Commission's Broadband Data Collection and the California Broadband Map, as described in Section 13 (Reporting Requirements).[6] New CASF applicants who are not yet participants must participate after grant approval.

"Subscriber type" means the category of potential end user, including low-income households, other households, housing units, and other end user types as may be defined by Staff such as anchor institutions, schools, libraries, small business, enterprise, agricultural entities, healthcare providers, first responders, etc.

"Location" means an individual, serviceable location that is identified by street address (if one exists) and latitude/longitude coordinates, as well as potential subscriber type. In the case of a multi-unit dwelling, "location" may include the individual units of the multi-unit dwelling.

"Eligible Project" means a project within an unserved area that is capable of providing broadband service at speeds of at least 100 mbps download and 20 mbps download, or the most-current broadband speed standard set by the Federal Communications Commission, whichever is greater, to unserved serviceable locations.

"Local Agency" has the same meaning as that provided in Government Code section 53167 (e), as amended by SB 156, wherein "local agency" means any

[6] https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-mapping-program

agency of local government authorized by law to provide broadband internet access service, including the following:

i. A city
ii. A county, including a county service area
iii. A community services district
iv. A public utility district
v. A municipal utility district
vi. A joint powers authority
vii. A local educational agency, as defined in section 47640 of the Education Code
viii. A sovereign tribal government
ix. An electrical cooperative, as defined in section 2776 of the Public Utilities Code

"Low-income areas" means areas identified by the median income within a Census Block Group having median income at or below 80 percent of the statewide median income or with median household incomes at or below the threshold designated as low income by the Department of Housing and Community Development's list of state income limits adopted pursuant to Section 50093 of the Health and Safety Code.[7] "Low-income areas" include publicly supported housing developments, farmworker housing, and other properties categorically eligible for Broadband Public Housing Account grants.

"Low-income customers" are households with incomes at or below 80 percent of the statewide median income or with incomes at or below the threshold designated as low income by the Department of Housing and Community Development's list of state income limits adopted pursuant to Section 50093 of the Health and Safety Code.[8] "Low-income customers" include publicly supported housing developments, farmworker housing, and other properties categorically eligible for Broadband Public Housing Account grants.

---

[7] Health and Safety Code section 39713(d)(2). The California Department of Housing and Community Development annually estimates a statewide median income and low income thresholds, by county, for its housing assistance programs. Annual State Income Limits are accessible at the following url: https://www.hcd.ca.gov/state-and-federal-income.

[8] Health and Safety Code section 39713(d)(1).

"Low-income broadband plans" are income-qualified plans that provide service at minimum speeds of 100 mbps download and 20 mbps upload and are offered to all low-income customers.

“Serviceable Location” means an individual location where broadband service is or may be installed, and that is identified by all of the following:

- Physical street address/Zip+4 (if one exists);
- Latitude and longitude coordinates;
- Point locations;
- Potential subscriber type and speed;
- Type of structure (i.e. single family, multi-unit, houseboat, non-residential structure, school, library, health provider, etc.);
- Consistent with definitions to be utilized by the Federal Funding Account program;[9] and
- Verified by applicant through field visits or via generally available geographic information system software (e.g., Google Earth).

A “sovereign tribal government” is a Native American tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004, (see Cal. Pub. Res. Code § 21073). For purposes of the Broadband Infrastructure Grant Account, “sovereign tribal government” also includes wholly-owned tribal corporations, tribal nonprofits, and tribal utility companies with proof of authorization to apply by the Tribe’s Council or other governing body.

An “unserved” area means an area for which no fixed facility-based broadband provider offers broadband service at speeds of at least 25 megabits per second (mbps) download and 3 mbps upload.[10] An ”area“ can be a single household or property, provided that the residents of such property are low-income customers, or that the property is a publicly supported housing development,

---

[9] *See* D.22-04-055.

[10] Consistent with the Federal Funding Account definition – “to determine if an area is unserved, the Commission will rely on data from a variety of sources, including the CA Interactive Broadband Map, broadband deployment data, subscriber data, crowdsourced data, service quality data, and qualitative data.” *See* D.22-04-055, Appendix A, n. 8.

farmworker housing, or other property that is categorically eligible for Broadband Public Housing Account grants.

4. Eligible Applicants

The following entities are eligible for a CASF Infrastructure Account grant:

- Entities with a Certificate of Public Convenience and Necessity (CPCN) that qualify as a "telephone corporation" as defined under Public Utilities (Pub. Util.) Code section 234; or
- Wireless carriers who are registered with the Commission (i.e., hold a Wireless Identification Registration (WIR))—wireless carriers need not obtain a CPCN to qualify for CASF funding; or
- Non-telephone corporations that are facilities-based broadband service providers—the Commission uses the National Telecommunications and Information Administration's (NTIA) definition of a facilities-based broadband service provider, which is generally defined as any entity providing internet access service or middle mile transport, over its own fixed or wireless facilities to residence, businesses, or other institution—must also meet the CASF eligibility requirements and comply with program requirements. (*See* D.14-02-018 and T-17443.)
- A local agency, as defined above.

In addition, the Commission will consider applications from satellite service providers able to meet the minimum performance criteria in terms of average round-trip ping time (i.e., the amount of time for data to travel from Point A to Point B and then back to Point A), as laid out in Section 5, to the entire project area. Individual households or property owners shall be eligible to apply, as long as they are unserved and meet the definition of "low-income customer."

5. Eligible Projects

In addition to serving an area defined as unserved, an eligible project must include serviceable locations that are capable of being provided with broadband access at speeds of a minimum of 100 mbps download and 20 mbps upload.

5.1. Middle Mile Funding

In the event that an applicant requests funding for middle-mile infrastructure for the purpose of serving the last mile and serviceable locations within a project, the following must be provided:

- A written justification as to why any existing middle-mile facilities cannot support the serviceable locations requested in the project area; and
- A notice confirming that applicant will have consulted with the California Department of Technology (CDT) within three (3) months after Commission approval to ensure that middle mile components of the project complement the California middle mile initiative as described in SB 156.

Any middle-mile infrastructure funded by CASF must be made available at reasonable and equal terms to any communications service provider that wishes to interconnect as noted in Section 5.2.

5.2. Open Access

For projects awarded CASF funding to deploy middle-mile infrastructure, the middle-mile segment(s) are deemed open access for the duration of the lifetime of that infrastructure. Open access requires that CASF funded middle-mile infrastructure be made available to provide nondiscriminatory interconnection and internet access at reasonable and equal terms to any communications service provider that wishes to interconnect with that infrastructure, wherever technically feasible.[11] This open access requirement only applies to grants awarded on or after the effective date of D.21-03-006.[12]

5.2.1 Interconnection

[11] *See, e.g.*, BroadbandUSA, Fact Sheet: Broadband Technology Opportunities Program, Nondiscrimination and Interconnection Obligations (Nov. 10, 2010), *available at* https://www2.ntia.doc.gov/files/Interconnection_Nondiscrimination_11_10_10_FINAL.pdf.

[12] D.21-03-006, effective March 4, 2021 (https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=370506802).

CASF grant recipients subject to the open access requirement must provide open access at any technically feasible interconnection point along the network. Open access may be infeasible in some cases, such as when interconnection would exceed current or reasonably anticipated capacity limitations, in instances of a lack of splice points over the length of a long fiber cable over many miles or when the desired interconnection location is physically inaccessible.[13] Broadband providers must make a good-faith effort to find a technically feasible solution where possible.

Interconnection includes, at a minimum, the physical interconnection of the CASF recipient's facilities to a requesting party's facilities for the exchange of traffic. Service offerings may include, but not be limited to, lease of dark fiber, local transmission services, transport, and dedicated Internet access services.

Unless otherwise infeasible, points of interconnection shall be provided at, but not limited to, previously defined interconnection points, new and existing network exchange locations, splice points, within 500 meters of a highway interchange, and where wireline infrastructure has been damaged and repairs are within 500 meters of an unserved community. Consistent with the requirement to negotiate in good faith, the CASF grant recipient must provide information detailing the CASF-funded infrastructure to parties requesting interconnection such as route maps, interconnection points, splice points, type of fiber, and number of strands.

CASF grant recipients must make all reasonable efforts to allow requesting parties to interconnect and procure transport service or a wholesale ~~a~~ direct connection. In addition, CASF grant recipients must provide requesting parties with an ability to connect to the Internet irrespective of whether the CASF grant recipient connects to the Internet directly or indirectly.

5.2.2 Pricing

Pricing and terms and conditions for interconnection shall be reasonable, equal, and nondiscriminatory. CASF grant recipients must offer tiered pricing or a range of options to fit different business models; offerings must be equivalent for

[13] Modern single-mode fiber is capable of carrying signals 60 miles (or more) before requiring repeaters or amplifiers.

all similarly situated entities such as Wholesale (ISP) / Government / Public Anchor Institution. Pricing, tariffs (if applicable), and the framework identifying standard terms and conditions must be provided to the Commission's Communications Division as part of the application for middle-mile funding and may be updated from time to time. Terms and conditions may address any essential elements of network operations such as cybersecurity, circuit provisioning, network outages, future capital investment costs, and operations and maintenance costs.

CASF grant recipients shall negotiate in good faith with all requesting parties (i.e., public, private, non-profit, or other parties) making a bona fide request for interconnection or wholesale services.[14] Reasonable prices, terms, and conditions for last-mile provider access to middle-mile infrastructure may vary depending on local circumstances such as physical and network conditions, or the types of services and service levels needed by the last-mile provider.

5.2.3 Open Access Decision Enforcement

In the event that the CASF grant recipient fails to comply with the open access requirement in accordance with the terms of approval granted by the Commission, or in the event that the CASF grant recipient does not negotiate in good faith with a requesting party, the requesting party may file a complaint with the Commission. The option to file a complaint is also available to parties requesting access pursuant to the open access requirement adopted in D.21-01-003 for recipients of state-federal leveraging grants.

5.2.4 Open Access Reporting

For the serviceable life of the middle-mile infrastructure, the CASF grant recipient must provide, in its confidential annual report to the Commission, a detailing of the number of interconnection requests and executed service agreements. The report must include: date of request, requesting party, location of requested interconnection, service requested, outcome of request, pricing,

[14] *See* FCC 04-164 Report and Order, *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers* (FCC Docket No.: CC 01-338). https://www.fcc.gov/document/review-section-251-unbundling-obligations-incumbent-local-2

tariffs (if applicable), and terms and conditions. This requirement also applies to the state-federal leveraging grants authorized by the Commission in D.21-01-003.

5.3. Previous CASF Areas

In areas where the Commission has already awarded a CASF grant, new CASF grant funding for broadband projects in the same area will be available only after three years from the start of broadband service of the first CASF- funded project in order to ensure that existing grantee(s) are able to realize returns on their investment.

6 Performance Criteria

At a minimum, all CASF Infrastructure projects must meet the performance criteria outlined below:

- Project Completion: All CEQA-exempt projects must be completed within 18 months after Commission approval, and all other projects shall be completed within 24 months after CEQA resolution approval.
- Pricing: All applicants shall commit to serve customers in the project area at prices not exceeding those provided in the application, for five years after project completion. Should the need arise for grant recipients to adjust prices due to externalities outside their control (e.g. inflation), grant recipients may submit a request to modify plan prices to the Communications Division. Such a request must also be filed and served on the R.20-08-021 proceeding service list and the CASF Distribution List.[15]
- Speeds: All serviceable locations in the proposed project areas must be offered a broadband Internet service plan with speeds of at least 100 mbps download and 20 mbps upload.
- Round-trip ping time: All projects shall provide service at a maximum of 50 ms of round-trip ping time, where technically feasible; if this is not

[15] *See*: https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/casfdistributionlist.xlsx.

technically feasible for a particular project, then the project must provide service a no more than 100 ms of round-trip ping time.

- Data Caps: Data caps are strongly disfavored and may be an indication that the proposed infrastructure is insufficient. If including a data cap, an applicant must include a justification describing how the cap does not limit reliability of the connection to the users. In any event, data caps shall provide a minimum of 1 terabyte per month.
- Affordability: All projects shall offer a low-income broadband plan as defined in Section 3 (Definitions).

7 Reimbursable Expenses

Pub. Util. Code section 281(f)(10)(A-C) define the costs the Commission may reimburse as follows:

- Costs directly related to the deployment of infrastructure;
- Costs to lease access to property or for Internet backhaul services for a period not to exceed five years; and
- Costs incurred by an existing facility-based broadband provider to upgrade its existing facilities to provide for interconnection.

Additionally, administrative expenses directly related to the project shall be capped at 10 percent of the grant amount.[16] Within the General and Administrative expense category of costs, Geographical Information System (GIS) resources are now essential to ensure that applications are based on serviceable locations and should be identified as a separate line item under the requirements set forth in Section 8 herein.

[16] We define administrative costs as "indirect overhead costs attributable to a project, per generally accepted accounting principles (GAAP), and the direct cost of complying with Commission administrative and regulatory requirements related to the grant itself." Applicants seeking additional funds will require a Commission exemption included in a draft resolution.

8 Information Required from Applicants

A single CASF Grant Application is to be submitted by each applicant for any eligible project areas. Non-contiguous project areas may be considered as a single project. Project applications can include either or both wireline and wireless technologies. Applicants proposing projects with middle-mile infrastructure to serve last mile serviceable locations must include:

- A written justification as to why any existing middle-mile facilities cannot support serviceable locations requested in the project area;
- A notice confirming that applicant will have consulted with the California Department of Technology (CDT) within three (3) months after Commission approval to ensure that middle mile components of the project complement the California middle mile initiative as described in SB 156; and
- a commitment to open access requirements.

In order to be reviewed by the Commission, all applications must include the items listed below and must be submitted as separate files that are ordered and titled as in the following examples: "Application Item 1 – Project Summary (Distributed Publicly)," "Application Item 2 – Applicant Entity Information", etc. Applications failing to use this titling and ordering format may be returned to the applicant for correction.

8.1 Application Item 1 – Project Summary (Distributed Publicly)

The applicant must submit a Project Summary, which Communications Division Staff will post on the CASF webpage. The applicant also must submit the Project Summary to the CASF Distribution List. The summary must include the following information:

- Company/Applicant's name.
- CPCN/U-Number or WIR or pending CPCN/WIR application number.[17]
- Contact person.

[17] A CPCN or WIR authority is not necessary to apply or be awarded a CASF grant. CPCN/WIR information is available at www.cpuc.ca.gov/General.aspx?id=1019

- Project title.
- Named project location (Community/County).
- Project type (Last-mile or Hybrid Last-mile/Middle-mile).
- Amount of CASF grant funding requested and project cost.
- Map of the proposed project area.
- The number of serviceable locations the proposed project will serve.
- If the project is requesting funding in an area with no internet connectivity, it must state the number of serviceable locations with no-internet connectivity and the number of other CASF-eligible serviceable locations.
- The maximum mbps download and upload speed currently offered to serviceable locations in the project area.
- Median Household Income of the project area.
- The number of businesses, anchor institutions and public safety locations in the project area that will receive new or improved service.
- A description of the major infrastructure to be deployed: miles of planned fiber, Central Offices used, number of remote terminals/fiber huts/wireless towers to be built, and if an IRU is used.
- Estimated breakdown of aerial and underground installation.
- Major equipment expenses (e.g., number of remote terminals, optical line terminals, fiber switches, fiber distribution hubs, etc.).
- Estimated construction timeline.
- Description of proposed broadband project plan for which CASF funding is being requested, including the type of technology to be provided in the proposed service areas:
    - Download speed capabilities of proposed facilities.
    - Upload speed capabilities of proposed facilities.
    - The project description will provide enough construction detail to enable a preliminary indication of the need for a California Environmental Quality Act (CEQA) review and if proposed project areas contains any environmentally sensitive areas. For example,

when trenching is required, the applicant will state and describe the manner in which the site is to be restored, post-trenching.

- Identification of the leveraging of existing available facilities (e.g., interconnection in lieu of overbuilding existing facilities of another provider).
- A statement of whether the applicant is disputing the Broadband Map depiction of served status.
- A statement of whether the applicant is seeking Ministerial Review and, if so, information that the application meets all requirements for Ministerial Review.
- An explanation of why any middle mile facilities in the proposed project are necessary for accessing the proposed last-mile infrastructure.
- A statement accepting the open access requirements for any middle mile facilities in the proposed project. Projects will interconnect with the statewide open-access middle mile network, where reasonable and feasible;[18] if interconnection to the statewide middle mile network is not feasible or reasonable, a verifiable statement explaining why interconnection is not feasible or reasonable is also required.

The applicant may also use this summary information in its adoption and outreach efforts, i.e., in soliciting local government and community support for the proposed project, in disseminating information to their proposed communities/areas.

8.2 Application Item 2 – Applicant Entity Information

The applicant must provide the following information, as necessary:

- Information Sheet (Attachment A to this document) with a Certificate of Good Standing issued by the Secretary of State;

[18] For this requirement, applicant must include a verifiable statement regarding why interconnection with the statewide open-access middle mile is not feasible or reasonable, if applicable.

- Organizational Chart, Company History, and Statement of Readiness to Build, Manage, and Operate Broadband;
- Key Contact Information (Name, Title, Address, Email Address, and Phone number);
- Key Company Officers.

8.3 Application Item 3 – Description of the Applicant's Current Broadband Infrastructure and Existing Infrastructure in the Area

The applicant must provide:

- A description of the provider's current broadband infrastructure and service within five miles of the proposed project;
- A description of other providers' infrastructure within the project area which can be leased, purchased or accessed via interconnection.

8.4 Application Item 4 – Project Location Data

The applicant must provide the following:

- The geographic location of all serviceable locations in the project area. This information will be provided in a plain-text, comma-separated values (CSV format) file, or kmz/kml file or shapefile, that contains geo-located street address information, including latitude and longitude coordinates.[19] Additional information about how to format this item is available on the CASF webpage;
- The geographic location of the project related key network equipment, such as DSLAMs, wireless towers, router facilities, remote terminals, network interconnection, etc.. Additional information about how to format this item is available on the CASF webpage.
- The specific geographic boundary of the project area within which all project locations will fall (shapefile or .kml).

[19] There are a several possibilities for acquiring geolocated street address level data. This document from USAC provides an overview of geolocation methods: http://www.usac.org/_res/documents/hc/pdf/tools/HUBBGeolocationMethods.pdf

8.5 Application Item 5 - Median Income

The applicant must report the median household income for each Census Block Group (CBG) that intersects the project area. The California Broadband Map (http://www.broadbandmap.ca.gov/) includes census derived population and income data and information regarding existing service providers and their reported service speeds. Using the census block group layer data return, the medium income and CBG code can be obtained. For reference, CBG codes are formatted as follows:

- CBG(s) must be based on the latest decennial census. CBG(s) must be in a twelve digit format, as follows:[20]

State CA	County	Tract	Block Group
2 digits	3 digits	6 digits	1 digit

8.6 Application Item 6 – Project Eligibility

The applicant must use the California Broadband Map to verify project eligibility and confirm that the proposed serviceable locations (CSV file referenced in Application Item 4) are within an unserved area. Commission staff may provide an update on the availability of project eligibility information via an email to the CASF Distribution List. Eligible projects must offer broadband service at or above 100 mbps download and 20 mbps upload, irrespective of the project's technology. The applicant must:

- Provide an attestation that the applicant reviewed the Broadband Deployment layers on the Broadband Map and determined that the broadband project area proposed is eligible.
- The applicant may provide CalSPEED tests (or other commercially available speed tests, e.g., https://speedof.me) to show actual speeds or denials of service or other public feedback as evidence of unserved status. The Commission's public feedback tools are available on the Communications Division website.[21] Such evidence may be used to dispute the Broadband Map depictions of served status.

[20] For example, a census block in the town of Fort Bidwell in Modoc County is 060490040001.

[21] See: https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-mapping-program/broadband-public-feedback.

8.7 Application Item 7 - Deployment Schedule

The applicant must provide:

- A schedule for obtaining necessary permits prior to construction. The schedule must include the timeline required for the California Environmental Quality Act (CEQA) review, as applicable.
- A schedule for project construction following receipt of permits, to complete the project within 24 months after CEQA resolution approval, or within 18 months after Commission approval if the project is categorically exempt from CEQA. The schedule needs to identify and describe construction milestones and include start and end dates for each milestone.
- If the applicant is unable to construct and complete the proposed project within the approved timeline, it must notify CASF staff as soon as it becomes aware and explain reasons for the delay and when the project will be completed.

8.8 Application Item 8 - Proposed Project Expenditures

The applicant must provide:

- Identification of expense categories (direct and or indirect expenses);
- Identification of direct expenses (equipment/materials, labor/construction wages and permitting/CEQA review);
- Using the template that is to be provided on the CASF Infrastructure Account webpage,[22] the applicant must identify individual cost elements and separate those cost elements for last-mile infrastructure from those for middle-mile infrastructure. The applicant must identify all the equipment to be funded by the CASF by category (buildings, towers and poles, network and access equipment, operating equipment, customer premise equipment, materials), and the type of equipment (new building, prefabricated building, rehab of existing building, new towers or poles, modification towers and poles, broadband switching equipment, cable, etc.);

[22] https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/california-advanced-services-fund/casf-infrastructure-grant.

- Identification of allocated indirect costs (General and Administrative expenses, including but not limited to repair and maintenance expenses for equipment and facilities, utilities, rent of equipment and facilities, administrative costs, indirect materials and supplies, insurance on equipment and machinery, indirect labor and contract supervisory wages, production period interest expense. Within the General and Administrative expense category of costs, Geographical Information System (GIS) resources are now essential to ensure that applications are based on serviceable locations and should be identified as a separate line item;
- Administrative expenses, including executive salaries, are limited to 10 percent of the total grant amount. We define administrative costs as indirect overhead costs attributable to a project, per generally accepted accounting principles (GAAP), and the direct cost of complying with Commission administrative and regulatory requirements related to the grant itself.

8.9 Application Item 9 – Economic Life of All Assets to be Funded

The applicant must identify all the equipment to be funded by the CASF by category (buildings, outside plant, towers and poles, network and access equipment, operating equipment, customer premise equipment), the type of equipment (new building, prefabricated building, rehab of existing building, new towers or poles, modification of existing towers and poles, broadband switching equipment, office furniture and fixture, etc.), and the estimated useful life (10, 15, 20, etc. years).

8.10 Application Item 10 – Letter of Credit Requirement

An eligible applicant that is not a local agency, as defined above, or that does not hold a CPCN issued by the Commission is required to submit a Letter of Credit. The Letter of Credit must be irrevocable and will permit the Commission to immediately reclaim any funds provided in the event of non-compliance with the Commission's rules or requirements. The applicant must provide a letter of credit covering the full CASF grant amount issued to the applicant. The letter of credit must be valid throughout its entire 24-month project construction period.

Local agencies, including sovereign Tribal governments, are exempt from the requirement to obtain a letter of credit, provided they can demonstrate administrative capability and expertise in financial administration; demonstrate relationships with financial advisors; in-house or contracted expertise in evaluating broadband infrastructure project feasibility; and demonstrate relationships with, and support from, experienced public or nonprofit broadband system operators. These types of applications, that is, those not supported by a letter of credit, must be approved by Commission resolution.

8.11 Application Item 11 – Pricing Commitment

Applicants must submit the fixed monthly service subscription rates that it will offer to all consumers for a period of five (5) years following completion of the project. Grantees may request to adjust plans, as specified in Section 6 (Performance Criteria), in accordance with the Gross Domestic Product Price Index. To encourage adoption, installation charges must be waived during the commitment period. After this five year period, the service provider may revise their generally applicable service rates and reinstate installation/connection charges for new service connections. The applicant shall identify in its application:

- Fixed monthly service level subscription rates.
- Waived installation/service connection charges.
- Specify any commitments and/or requirements that the customer must accept in order to receive equipment during the commitment period, such as return of equipment.
- Any low-income broadband plan(s), detailing prices and speeds to be offered.

All projects shall participate in the Affordable Connectivity Program (ACP) or otherwise provide access to a broad-based low-income broadband plan to all qualifying customers in the proposed service area of the broadband infrastructure, that provides benefits to households commensurate with those provided under the ACP. Should the ACP program end, the Commission will identify a successor low-income subsidy program participants must participate in.

Applicants requesting funding for middle-mile infrastructure must submit a framework identifying open access offerings including tiered pricing structures and the standard terms and conditions that will be available to entities requesting interconnection, as noted in Section 5.2.2.

8.12 Application Item 12 – Marketing/Outreach Plan

The applicant must provide a plan to encourage subscription of the broadband service in the project location. The submission shall explain the marketing and outreach plans the applicant will employ to attract residents to sign up for service during the pricing commitment period. This plan must include a plan for engaging and marketing to Environmental and Social Justice (ESJ) communities in the project area. As part of this plan, applicant must estimate the percentage of residents in the project area that are included in an ESJ community. ESJ communities include persons with Access and Functional Needs, California Native American Tribes, Low Income Households and Low Income Communities, as these terms are defined in the Commission's Environmental and Social Justice Action Plan.[23]

8.13 Application Item 13 – Government and Community Support

The applicant may submit endorsements or letters of support from state and local government, community groups, and anchor institutions supporting the deployment of the broadband infrastructure.

8.14 Application Item 14 – Funding Sources

The applicant must identify each applicable project funding source, such as; loans, financial contributions from the service provider, public or private broadband adoption or deployment program funds, and federal and state grants or loans.

Applicants proposing to combine CASF Infrastructure Funds with funds from a separate broadband grant program must explain how CASF Infrastructure Funds

[23] Environmental & Social Justice Action Plan Version 2.0, California Public Utilities Commission, accessible at https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj/esj-action-plan-v2jw.pdf

would address an identified need for additional broadband investment that is not met by existing federal or state funding commitments. Applicants must also itemize project costs, detail how funds will not be used for costs that will be reimbursed by the other federal or state funding streams and explain the public benefit that additional funds will provide.

8.15 Application Item 15 - Financial Qualifications

The following must be submitted by applicant regarding the company:

- CPA Audited/Attested Financial Statements for the last three years:
  - Balance Sheet
  - Income Statement
  - Statement of Cash Flows
- Pro Forma Financial Forecast for a five-year period, including a list of assumptions supporting the forecast. Projections must include:
  - Balance Sheet
  - Income Statement
  - Statement of Cash Flows
- Five-year annual EBIT (Earnings Before Income and Tax) projection for the company.

CPA Audited or Attested Financial Statements will be accepted from parent companies in lieu of financial statements from subsidiaries that have no audited or attested financial statements. If applicant has been in existence for fewer than three years, financial statements for as long as applicant has been in existence, e.g. one or two years, will be accepted. For newly formed organizations, financial statements from the parent or sponsoring organization should be submitted, including a description of the relationship between those organizations.

8.16 Application Item 16 – Project Viability

The applicant must provide a five-year projected project business plan showing project profitability, revenues, and expenses. The project viability forecast must

include projected revenue from customers, showing changes in subscriptions and service rates and charges through the pricing commitment period and the period thereafter, years three through five, as applicable.

8.17 Application Item 17 – Providing Voice Service

The applicant must provide information about the following:

- Availability of voice service that meets FCC standards for E-911 service and battery back-up;
- Listing of types of voice services offered; and,
- Timeframe of voice offering(s).

8.18 Application Item 18 – CEQA Attestation

The applicant must provide information about their project demonstrating how CEQA compliance is to be obtained. The applicant shall attest that they have submitted a completed questionnaire, (Attachment F herein), and contacted the Commission's Energy Division CEQA section in advance of the filing and have consulted with CEQA Staff regarding the process of developing and filing a Proponent's Environmental Assessment (PEA) or other CEQA documents and are aware of their responsibilities if their proposed project is not exempt from CEQA. Information on PEA and CEQA requirements is available on the Commission's website at: www.cpuc.ca.gov/ceqa.

8.19 Application Item 19 – Application Checklist

An applicant must complete the CASF Application Checklist Form and attach it to each project proposal. (See Attachment B to this document.)

8.20 Application Item 20 – Affidavit

Applicants must submit an affidavit, under penalty of perjury, that to the best of their knowledge all the statements and representations made in the application information submitted is true and correct. (See Attachment C to this document.)

9 Submission and Timelines

Applications are due annually on April 1. Staff then has six months to process all applications. If by December 31 an application has not been approved by Staff under its Ministerial Review authority, nor has Staff published a Draft Resolution recommending Commission approval, the application is deemed denied, though it may be eligible for approval in the next application cycle.

In the event the Commission receives applications that, in total, request less than the remaining CASF Broadband Infrastructure Grant Account balance, the Commission delegates to Staff the option, but not the obligation, of opening a second shortened application round in the same calendar year During this round, staff will prioritize review of applications that meet the criteria outlined in the Ministerial Review Section (Section 12 herein). Any applications submitted during this special round receiving a complete and timely challenge that is upheld are automatically denied.

CASF Infrastructure Account Timeline

Event	**Date**[24]
Broadband Availability Map Published	November/December [25]
CASF Infrastructure Account Application Deadline	April 1
Deadline for Staff to post Application Summaries and Maps to CPUC website and notify CASF Distribution List	April 15
Deadline for Challenge Submissions	May 6
Deadline for Application Approvals Under Ministerial Review	October 1
Deadline for Publishing Draft Resolutions Recommending Project Approval	December 31

[24] In the event any date falls on a weekend or holiday, the deadline is the next business day.

[25] For the 2023 application cycle, the Broadband Availability Map may be delayed. Commission staff will provide an update on the availability of the Broadband Map via an email to the CASF Distribution List.

Applicants must electronically file their completed applications via secure ftp transmission or other process as instructed by Staff. Since applications are not filed with the Commission's Docket Office, they will not be assigned proceeding number(s).

Challenges to applications must follow the requirements set forth in Section 11 – Project Challenges herein and must be submitted to Staff before May 6th via secure ftp transmission or other process as instructed by Staff.

The Commission will notify the CASF Distribution List of applications and any amendments to an application for project funding and post on the project summaries on the CASF webpage at least 30 days before publishing the corresponding draft resolution.

10 Posting of Applications

The Commission will post a list of all pending applications, program deadlines and notices on the CASF website and will alert all entities on the CASF Distribution List.[26] The Commission will post applications and amendments to an application to the CASF webpage and will alert the CASF Distribution List at least 30 days before publishing the draft resolutions or Ministerial Approvals for the corresponding applications.

11 Project Challenges

Pursuant to Pub. Util. Code § 281(f)(8), the Commission shall provide each applicant, and any party challenging an application, the opportunity to demonstrate actual levels of broadband service at all locations in the project area, which the Commission will consider in reviewing the application. Parties that wish to challenge a CASF project must participate in the annual CPUC

[26] https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/casfdistributionlist.xlsx.

Broadband Data Collection and provide timely submittals that are reflected on the California Broadband Map.[27]

An entity challenging a CASF Infrastructure Grant application must submit its complete challenge no later than 21 calendar days from the notice of the application being served on the CASF Distribution List. Challengers must provide a public notice of the challenge to the CASF Distribution List and submit the confidential challenge report to the Communications Division Director, via secure ftp transmission or other process as instructed by Staff, that includes the following:

- The geographic location of all serviceable locations it serves in the challenged area(s). This information must be provided in a plain-text, comma-separated values (CSV format) file, or kmz/kml file or shapefile, that contains geo-located street address information, including latitude and longitude coordinates.
- Customer billing statements from each subscriber in the proposed project area indicating that the customer received served speeds at least one month prior to the application filing date. Each billing statement must contain sufficient information, including technology types, plan speeds, plan prices (including low-income plans), so that Staff may compare the services to those proposed by the applicant. Subscriber billing must be submitted via secure ftp transmission or other process as instructed by Staff.
- Verifiable demonstration of the ability to connect to all serviceable locations at a minimum speed of 25 mbps download and 3 mbps upload, and agreement to serve all locations for which they are challenging for a minimum of five years. For challenging entities that provide fixed-wireless or other non-wired service, such demonstration includes documentation addressing the need for line of sight, such as propagation maps (heat maps).

[27] Applicants must be participants in the CPUC Annual Broadband Data Collection and have current coverage information reflected on the California Broadband Map at: https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-mapping-program

The Commission has delegated to Communications Division Staff the authority to uphold or deny a challenge. Staff will inform the applicant of its determination of the challenge based on the confidential challenge report. Incomplete challenges or challenges filed after the deadline will be deemed denied.

If a challenged serviceable location is determined to be "served" by Staff, the applicant has the option to submit a modified application for the project area that removes those serviceable locations with revisions to appropriate application items including but not limited to those regarding project cost, project timing and budget considerations.

An applicant may propose to expand its proposed project area after the challenge period has passed. If staff decides to consider this revision, the revised application summary must be sent to the CASF Distribution List to allow interested parties the opportunity to challenge only the expanded areas of the project.[28]

12 Ministerial Review

The Commission delegates to Communications Division Staff the authority to approve applications, including determinations of funding, that meet all of the following criteria:

1. Applicant and project meet the program eligibility requirements.
2. Projects that will offer a low-income broadband plan, as defined in Section 3, above, at a co-pay amount (i.e., out-of-pocket expense) of $15 or less per month.
3. The application is not challenged or, if challenged, the challenge is not upheld, or Staff has determined that the project area is unserved.

[28] https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/casfdistributionlist.xlsx.

4. The total grant does not exceed $25,000,000.
5. The project must be California Environmental Quality Act (CEQA)-exempt, or approval letter must state that authorization to construct and release funds will be provided in a forthcoming resolution.
6. There must be no competing applications for the same project area in the same application period.
7. Costs per serviceable location are low:
    a. For projects that will deploy wireline connections, proposed project costs $24,700 per serviceable location or less.
    b. For fixed wireless projects, proposed project costs $4,500 per serviceable location or less.

Applications not meeting these criteria may only be approved by the Commission via resolution. All applications shall be approved, denied, or marked for further review by the Commission (through a Resolution) within the application cycle window. If an application is neither approved nor marked for further review by the Commission, it shall be presumed denied.

The Commission further assigns to staff the task of rejecting applications that meet any of the following criteria:

a. The applicant submitted an incomplete application and has not responded to a follow up request for the missing material, sent to the designated contact on the application;
b. The applicant has previously had a Commission grant award rescinded for violation of Commission or program rules;
c. The applicant has made false statements to the Commission or to the Federal Communications Commission.

Ministerial Process	Resolution Process
Maximum Cost / Serviceable Location • $24,700 for wireline • $4,500 for fixed wireless	Does not meet all criteria under Ministerial Process
Maximum Grant Amount: $25,000,000	
Must be CEQA-exempt, or approval letter must state that authorization to construct and release funds will be provided in a forthcoming resolution.	

13 Reporting Requirements

Grantees must report annually by responding to the Commission's annual request for data required for the CASF Annual Report and/or other reporting purposes.[29] Responding to this annual data request is a program requirement.

Grantees are required to file progress reports on a bi-annual basis. Progress reports are due on March 1 and September 1 of each year. In the event either date falls on a weekend or holiday, the reports are due the following business day. Progress reports shall contain the following:

- Description of project accomplishments during this period.
- Identification of project milestones and the percent complete to date. If the percent completed is different from the estimated target milestones from the CASF application, it is necessary to provide a narrative description explaining what occurred.
- Major construction milestones (including a reporting on all CEQA mitigation implementation and monitoring activities, if CEQA review was required), date of completion of each task/milestone as well as problems/issues encountered, and actions taken to resolve these issues/problems during construction (including CEQA compliance, if applicable).

[29] Pub. Util Code § 914.7 requires an annual report on the CASF accounts. To fulfill this requirement an annual data request is made to all grantees which requires information on number and type of subscribers (households, businesses) served, number of potential locations for completed projects and similar information about projects in progress.

- Description of any challenges or issues and any risks faced during this past quarter in achieving planned progress on the project, including environmental compliance and permitting challenges if applicable.
- Description of significant project milestones or accomplishments planned for next quarter.
- Description of progress made in implementing applicant's plan for engaging and marketing to ESJ communities in the project area.
- Subscribership information to date.
- Certification that each progress report is true and correct, under penalty of perjury.

Grantees also must submit completion reports prior to receiving the final payment. These reports shall contain the following:

- Comparison of approved versus actual costs of construction.
- Description of the project, including any changes in the project construction and alignment, if applicable.
- Milestones and completion dates for each milestone.
- Final date of completion of the project, problems/issues encountered since last semi-annual report and actions taken to resolve these issues/problems during construction (and comprehensive reporting on CEQA mitigation compliance, if applicable).
- Speed test data at the address level for the project area, including:
  - Test results for download and upload speeds;
  - A representative sample of speed test results at dispersed locations in the project area, including locations at the edge of the project area; number of tests will vary based on project;
    - Maps and associated data of speed test locations and results in a .kmz/ .kml file, shapefile, or .csv spreadsheet.

        - A screenshot of results of CalSPEED speed tests, which can be accessed at http://calspeed.org/index.html, or other commercially available speed tests (e.g., https://speedof.me);[30]
    - An attestation that all locations within the project area are offered service at minimum speeds of 100 mbps download and 20 mbps upload or higher;
- Maps and associated data of all serviceable locations served
    - The geographic coordinates of all locations that are served. This information will be provided in a plain-text, comma-separated values (.csv) file, or .kmz/ .kml file or shapefile that contains geo-located street address information, including latitude and longitude, as well as census block code (GEOID);
    - Projected subscribers versus actual subscribers (by subscriber type), as of the date of the completion report;
    - The actual number of current subscribers by subscriber type and subscriber speed;
    - The potential number of subscribers of each type that could be served using the CASF project's existing facilities at the same minimum defined speed;
    - Both the number of low-income customers in the project area and the number of low-income customers subscribing to low-income plans, broken down into the following categories: (a) low-income customers subscribed to the ACP; (b) low-income customers subscribed to California LifeLine and/or federal Lifeline (c) total number of low-income customers subscribed to any low-income broadband plan(s).
    - Identification of the number of served serviceable locations in the project area that have broadband availability at or above 100 mbps download and 20 mbps upload;

[30] The technically available speed at the location shall be tested, not a customer's subscribed speed

- Documentation and examples of advertisements, billing inserts and marketing information, by speed tier and prices;
- Open access interconnections (if applicable)
    - The number of interconnection requests and executed service agreements.

Grant recipients must use progress and completion reporting templates developed by Commission staff, within 30 days after Commission staff post the reporting template(s) to the Commission's website and provide notice via email to the CASF distribution list.

Pursuant to Pub. Util. Code § 281(l), grantees must report monthly to the Commission all of the following information throughout the construction phase:

- The name and contractor's license number of each licensed contractor and subcontractor undertaking a contract or subcontract in excess of twenty-five thousand dollars ($25,000) to perform work on a project funded or financed pursuant to this section;
- The location where a contractor or subcontractor described in the above subparagraph will be performing that work; and
- The anticipated dates when that work will be performed.

The Commission will, on a monthly basis, post the information reported pursuant to this subdivision on the commission's CASF internet website.

14 Payment

Requests for payments may be submitted as the project is progressively deployed. The prerequisite for first payment is the submittal of a progress report to the Commission showing that at least 10 percent of the project has been completed. Subsequent payments are made at the following deadlines: 35 percent completion, 60 percent completion, 85 percent completion and 100 percent completion. The final 15 percent payment request (from 85 to 100 percent) will not be paid without an approved completion report. Payments are based on submitted receipts, invoices and other supporting documentation

showing expenditures incurred for the project in accordance with the approved CASF funding budget included in the CASF grantee's application.

If an application also meets the ministerial review criteria, a provider with a CPCN that wishes to front the full costs of a project in exchange for reduced reporting burdens may request an alternative payment structure. The one-time payment request must include a project completion report and receipts/invoices of major equipment and materials purchased, with labor costs and other items being line items reflecting the remaining total amounts charged to CASF. CASF Staff must conduct a site visit to confirm project completion prior to authorizing payment and these reimbursements are still subject to audit.

Grantees shall submit the final request for payment within 90 days after completion of the project. If the grantee cannot complete the project within the applicable completion timeline (dependent upon whether the project is exempt from CEQA), the grantee shall notify the Commission as soon as they become aware that they may not be able to meet the timeline and provide a new project completion date.

In the event that the recipient fails to notify the Communications Division of any delays in the project completion and the project fails to meet the approved completion date, the Commission may impose penalties to be adopted in a Commission resolution. Invoices submitted will be subject to a financial audit by the Commission at any time within three (3) years of completion of project. If portions of reimbursements are found to be out of compliance, grantees will be responsible for refunding any disallowed amounts along with appropriate interest at rates determined in accordance with applicable Commission decisions.

15 CEQA Payment

CEQA consultant costs shall be paid directly by the Commission to the contractor. Following award of a grant the Energy Division CEQA Section Staff will obtain a contractor to review the CEQA documents for the project. The CASF will pay directly the project's CEQA PEA preparation costs, but those costs will be identified as costs associated with the grant and will have no effect on the applicable shares of grantee assigned and program supported total project costs.

The applicant may file with the Energy Division's CEQA Section a completed CEQA review conducted by another agency acting as the Lead Agency pursuant to CEQA. Should this occur, grantees may request funds to pay for CEQA review related costs.

16 Execution and Performance

Staff and the CASF grant recipient shall determine a project start date after the CASF grant recipient has obtained all approvals, commonly 30 days after approval of the resolution or ministerial review approval. Should the recipient or Contractor fail to commence work at the agreed upon time, the Commission, upon ten (10) days written notice to the CASF recipient, reserves the right to terminate the award.

Failure of an applicant to comply with the Commission's Order or grant agreement may result in cancellation of the award. Commission staff may rescind grants when staff ascertains that a project is not meeting program requirements, in accordance with Commission Resolution T-17756.

In the event that the recipient terminates the grant award, for any reason whatsoever, it will refund to the Commission within 30 days of said termination, all payments made hereunder by the Commission to the applicant for work not completed or not accepted by the Commission. Such termination will require written notice to that effect that is delivered by the applicant to the Commission not less than ten (10) days prior to said termination. Staff will notify the recipient of intent to prepare for Commission approval, a draft resolution that would rescind a CASF grant due to nonperformance.

16.1 Construction Phase

A grantee must notify the Commission within five days of determining that the grantee is planning to sell or transfer its assets. The grantee shall notify the Director of the Commission's Communications Division in writing of its intent to sell or transfer company assets within five days of becoming aware of these plans. The grantee shall also provide documentation, including an affidavit, stating that the new entity will take full responsibility and ownership to comply with the requirements of the CASF award. The new entity shall agree in writing

to such. The grantee shall provide the Commission with any necessary documents requested in its review of the transfer. This will include all documents that are generally required of all entities applying for the CASF grants. The grantee shall not transfer CASF funds or the built portion of the project to the new entity prior to Commission approval via a resolution/order. If the Commission does not provide approval, it will rescind the grant.

16.2 Post-Construction Phase

For three years after project completion, a grantee must notify the Commission within five days of determining that the grantee is planning to sell or transfer its assets. The grantee shall notify the Director of the Commission's Communications Division in writing of their intent to sell or transfer company assets within five days of becoming aware of these plans. The grantee shall also provide documentation, including an affidavit, stating that the new entity will take full responsibility and ownership to comply with the requirements of the CASF grant. The new entity shall agree in writing to such. Additionally, in such cases the grant recipients must submit a Tier 2 Advice Letter with the following information:

- Purchase price;
- Copy of the agreement;
- Binding agreement from the purchaser or lessee to fulfill the terms and conditions relating to the project award after such sale or lease; and,
- An explanation as to how the transaction would be in the best interests of those served by the project.

17 Compliance Changes Pursuant to CASF Performance Audit

All applicants are required to sign a consent form agreeing to the terms and conditions of the CASF Infrastructure Grant Account. These will be stated either in the Resolution approving the project, or in a letter sent by Staff to the successful applicant. The agreement will provide the name of the applicant, names of officers and members, and must be signed by the applicant. The proposed wording of the consent form is in Attachment D to this document.

18 Penalties

Grantees that are non-telephone corporations must agree to the following language in the affidavit found in Attachment C to this document.

> *If [Grantee Name] violates the terms and conditions of a CASF award or other program and project compliance requirements, it shall be subject to Public Utilities Code Sections 2108 and 2111. The Commission may impose the maximum penalties allowed under Public Utilities Code Sections 2108 and 2111 for failure to meet the program and project compliance requirements, as determined by the Commission.*

ATTACHMENTS

Communications Division staff may update the following application attachments as needed, consistent with Decision 22-XX-XXX. Communications Division staff will provide notice of such updates via an email to the CASF Distribution List.

ATTACHMENT A

Information Sheet to be submitted by Applicants Requesting CASF Broadband Infrastructure Account Funding

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

1 Application of:
Name of Applicant
for CASF Funding pursuant to Decision_____

(Insert the full legal name of applicant in blank above; see instruction 1; attach fictitious names, if any)
Street address: Telephone: ( ) Fax No.: ( ) E-Mail:

2 Applicant is: (Check only one; see instruction 2.)	A corporation (attach good standing certificate)	☐
	A general partnership (attach good standing certificate)	☐
	A limited liability partnership (attach good standing certificate)	☐
	A limited liability company (attach good standing certificate)	☐
	A general partnership	☐
	A sole proprietor	☐
	A trust	☐
	A local agency	☐
	A tribe	☐
	Other (describe)	☐
	Attach name, street address, and telephone number of	

	applicant's registered agent for service of process **Attach list of the names, titles, and street addresses of all officers and directors, general partners, trustees, members, or other persons authorized to conduct the business of applicant at a similar level** ***Attach list of all affiliated entities (see instruction 2)***

3 Legal domicile of applicant is:	California Other (identify):	☐ ☐
	(Check only one; see instruction 3.)	

4 Applicant will provide service:	In specific portions only (attach description and map)	☐
	(Check only one; see instruction 5.)	

5. Applicant will provide: broadband service only	True Not true	☐ ☐
	(Check only one; see instruction 6.)	

6. For the past 10 years, no affiliate, officer, director, general partner, or	True Not true	☐ ☐
person owning more than 10% of applicant, or anyone acting in such a capacity whether or not formally appointed, held one of these positions with any company that filed for bankruptcy or has been found either criminally or civilly liable by a court of appropriate jurisdiction for a violation of § 17000 et seq. of the California Business and Professions Code or for any actions which involved misrepresentations to consumers, and to the best of applicant's knowledge, is not currently under investigation for similar violations. *(Check only one; see instruction 2.)*		

7. To the best of applicant's knowledge, neither applicant, any affiliate, officer, director, partner, nor owner of more than 10% of applicant, or any person acting in such capacity whether or not formally appointed, has been sanctioned by the Federal Communications Commission, or any state regulatory agency for failure to comply with any regulatory statute, rule or order, or convicted by any court for any criminal activity for the past 10 years.	True Not true	☐ ☐

8. Applicant has the required financial capability and technical expertise to build a broadband infrastructure and operate and maintain a broadband service.	True Not true	☐ ☐

I hereby declare under penalty of perjury under the laws of the State of California that the forgoing information, and all attachments, are true, correct, and complete to the best of my knowledge and belief after due inquiry, and that I am authorized to make this application on behalf of the applicant named above.

Signed: _____

Name (Print): _____

Title: _____

Dated: _____

Street Address:

Telephone Number:

Fax Number:

Email:

Principal Place of Business (if different from address on page 1).

Street Address:

City:

State:

ZIP Code:

Telephone Number:

Instructions:

1. Enter the legal name of applicant exactly as it appears on its articles or certificate of corporation or similar charter document.

2. Specify the type of applicant's organization. Applicant must provide a Good Standing Certificate which is available from the office of the Secretary of State of the State of California and should be dated of a date not more than 60 days prior to the date of filing the application. An original certificate must be attached to the manually signed copy of the application. An affiliated entity is any entity under common control with applicant. Common control exists if the same individuals or entities have the direct or indirect power to determine the action of applicant and such entity through the right to vote shares, by contract or agreement, or otherwise. Note whether any such entity is a reporting company for purposes of the Securities Exchange Act of 1934, as amended.

3. For individuals, domicile is the place of legal residence; for entities, it is the state of incorporation or organization.

4. Specify the exact area for which authority is requested, i.e., Community and County.

5. Indicate whether the applicant will be providing broadband service only.

Items 2, 6 and 7 are subject to confirmation by the Commission through the conduct of background check(s). For numbers 6 and 7, attach detailed description, if applicable.

6. Detailed information should be provided for the past 10 years, if applicable.

7. Detailed Information should be provided for the past 10 years, if applicable.

8. Attach audited balance sheet for the most recent fiscal year and an unaudited balance sheet as of the most recent fiscal quarter, a bank statement as of the month prior to the date of filing the application, or a third-party undertaking to provide the required amounts on behalf of applicant. If the balance sheet shows current liabilities in excess of current assets or negative equity, explain how applicant will be able to maintain sufficient liquidity for its first year of operations. Attach detailed summary, if applicable.

Material changes in the entries for this application, such as discontinuing operation or

bankruptcy, or change of name (DBA), change of address, telephone, fax number or E-mail address should be reported by a letter to the CPUC, Director of the Communications Division, 505 Van Ness Avenue, San Francisco, CA 94102.

ATTACHMENT B

CASF APPLICATION CHECKLIST
(Required for EACH proposed project)

To assist the Commission in verifying the completeness of your proposal, mark the box to the left of each item submitted. Please note that the Checklist is intended only as an aid for applicants and Staff. Necessary information for many of these items can only be found in the Program Rules. This checklist incorporates Staff revisions made in 2021 to implement D.21-03-006.[31]

		1. Project Summary (This is the only section that will be released publicly, and may duplicate information collected elsewhere. All other items are considered confidential and will not be released publicly)
		Basic Project/Applicant Information, including: • Company/Applicant's Name • CPCN/U-Number or WIR or pending CPCN/WIR application number, if applicable • Contact person • Project title • Named Project Location (community/county) • Project Type (Last-mile or hybrid last-mile/middle mile) • Amount of CASF grant funding requested and project cost
		Map of the proposed project area, including identification of serviceable locations (points) proposed to be served
		The number of serviceable locations in the proposed project area
		The maximum upload and download speeds currently offered to serviceable locations in the project area (in mbps)
		Median household income of the project area
		The number of businesses, anchor institutions and public safety locations in the project area that will receive new or improved service
		A description of the major infrastructure to be deployed
		Estimated breakdown of aerial and underground installation
		Major equipment expenses

[31] *See* https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=370506802.

		Estimated construction timeline
		Description of proposed broadband project plan for which CASF funding is being requested, including the type of technology to be provided in the proposed service areas: • Download speed capabilities of proposed facilities. • Upload speed capabilities of proposed facilities. • Sufficient construction detail to enable a preliminary indication of the need for a California Environmental Quality Act (CEQA) review and if proposed project areas contain any environmentally sensitive areas. • Identification of the leveraging of existing available facilities • A statement of whether the applicant is disputing the Broadband Map depiction of served status. • A statement of whether the applicant is seeking Ministerial Review and, if so, information that the application meets all requirements for Ministerial Review. • A description of middle mile facilities for which funding is requested in the proposed project area and an attestation that applicant will consult with CDT as required by these guidelines. • A statement accepting open access requirements for any middle mile facilities in the proposed project
	2. Applicant Entity Information	
		Information Sheet (Attachment A of the Program Rules) with a Certificate of Good Standing issued by the Secretary of State
		Organizational Chart, Company History, and Statement of Readiness to Build, Manage, and Operate Broadband
		Key Contact Information (Name, Title, Address, Email Address, and Phone number)
		Key Company Officers
	3. Description of the Applicant's Current Broadband Infrastructure and Existing Infrastructure in the Area	
		A description of the provider's current broadband infrastructure and service within five miles of the proposed project
		A description of other providers' infrastructure within the project area which can be leased, purchased or accessed via interconnection

	4. Project Location Data	
		The geographic location of all serviceable locations. This information will be provided in a plain-text, comma-separated values (CSV format) file, or

		.kmz/.kml or shapefile, that contains geo-located street address information, including latitude and longitude coordinates.
		The geographic location of the project related key network equipment, such as DSLAMs, wireless towers, router facilities, remote terminals, network interconnection, etc.
		The specific geographic boundary of the project area within which all serviceable locations will fall (shapefile or .kml).
	5. Median Income	
		The median household income for each census block group (CBG) that intersects the project area.
	6. Project Eligibility	
		An assertion that the applicant reviewed the available data on the Broadband Map and determined that the broadband project area proposed is eligible.
	7. Deployment Schedule	
		A schedule for obtaining necessary permits prior to construction. The schedule must include the timeline required for the California Environmental Quality Act (CEQA) review, as applicable
		A schedule for project construction following receipt of permits, to complete the project within 24 months, or within 12 months if the project is categorically exempt from CEQA.
	8. Proposed Project Expenditures (Using the template that is to be provided on the CASF Infrastructure Account webpage)	
		Identification of expense categories (direct or indirect)
		Identification of direct expenses
		Identification of individual cost elements and their cost amount.
		Identification of allocated indirect costs
	9. Economic Life of All Assets to be Funded	
		The applicant must identify all the equipment to be funded by the CASF by category, the type of equipment, and the estimated useful life
	10. Letter of Credit Requirement	
		An eligible applicant that does not hold a CPCN issued by the Commission is required to submit a Letter of Credit.

	11. Pricing Commitment	
		Fixed monthly service level subscription rates
		Acknowledgement that any installation/service connection charges will be waived

		Any commitments and/or requirements that the customer must accept in order to receive equipment during the commitment period, such as return of equipment
		Low-income broadband plan detailing prices and speeds to be offered. At minimum, the low-income broadband plan must meet all CASF performance criteria
	12. Marketing/Outreach Plan	
		The applicant must provide a plan to encourage subscription of the broadband service in the project location.
	13. Government and Community Support	
		The applicant may submit endorsements or letters of support from state and local government, community groups, and anchor institutions supporting the deployment of the broadband infrastructure.
	14. Funding Sources	
		The applicant must identify each applicable project funding source.
	15. Financial Qualifications	
		CPA Audited/Attested Financial Statements for the last three years, including: • Balance Sheet • Income Statement • Statement of Cash Flows
		Pro Forma Financial Forecast for a five-year period, including: • Balance Sheet • Income Statement • Statement of Cash Flows
		Five-year annual EBIT (Earnings Before Income and Tax) projection for the company
	16. Project Viability	
		The applicant must provide a five-year projected project business plan showing project profitability, revenues, and expenses.
	17. Providing Voice Service	
		The applicant must provide information about the following: • Availability of voice service that meets FCC standards for E-911 service and battery back-up; • Listing of types of voice services offered; and • Timeframe of voice offering(s).
	18. CEQA Attestation	
		The applicant must provide information about their project demonstrating how CEQA compliance is to be obtained.

	19. Application Checklist	
		This is the Application Checklist; please check the boxes as you complete the sections, and include the complete Checklist with your application.
	20. Affidavit	
		Applicants must submit an affidavit, under penalty of perjury, that to the best of their knowledge all the statements and representations made in the application information submitted is true and correct. (See Attachment C of the Program Rules.)

Applications are due annually on April 1st.
Submit completed applications online via secure ftp transmission or other process as instructed by Staff at http://www.cpuc.ca.gov/puc/

ATTACHMENT C
Telephone Corporations
NOTARIZED AFFIDAVIT

Name of Carrier/Company _____
Utility Identification Number _____ or _____ check here if Application for CPCN is pending and the CPUC assigned application no., if available.
My name is _____. I am _____ (Title) of _____ (Company). My personal knowledge of the facts stated herein has been derived from my employment with _____ (Company)

I swear or affirm that I have personal knowledge of the facts stated in this Application for the California Advanced Services Fund, I am competent to testify to them, and I have the authority to make this Application on behalf of and to bind the Company.

I further swear or affirm that _____ [Name of Carrier/Company] agrees to comply with all federal and state statutes, rules, and regulations, covering broadband services and state contractual rules and regulations, if granted funding from the California Advanced Services Fund.

I swear and affirm that I agree to comply with Rules 1.11 and 2.2 of the California Public Utilities Commission's rules of practice and Procedure.

I swear or affirm, under penalty of perjury, and under Rule 1.1 of the California Public Utilities Commission's Rules of Practice and Procedure, that, to the best of my knowledge, all of the statements and representations made in this Application are true and correct.

_____
Signature and title

_____
Type or print name and title

SUBSCRIBED AND SWORN to before me on the _____ day of ____, 20____.

Notary Public In and For the State of _____

My Commission expires: _____

Non-Telephone Corporations
NOTARIZED AFFIDAVIT

Name of Carrier/Company _____
Utility Identification Number _____ or _____ check here if Application for CPCN is pending and the CPUC assigned application no., if available.
My name is _____. I am _____ (Title) of _____ (Company). My personal knowledge of the facts stated herein has been derived from my employment with _____ (Company)

I swear or affirm that I have personal knowledge of the facts stated in this Application for the California Advanced Services Fund, I am competent to testify to them, and I have the authority to make this Application on behalf of and to bind the Company.

I further swear or affirm that _____ [Name of Carrier/Company] agrees to comply with all federal and state statutes, rules, and regulations, covering broadband services and state contractual rules and regulations, if granted funding from the California Advanced Services Fund.

I swear and affirm that I agree to comply with Rules 1.11 and 2.2 of the California Public Utilities Commission's rules of practice and Procedure.

I swear or affirm, under penalty of perjury, and under Rule 1.1 of the California Public Utilities Commission's Rules of Practice and Procedure, that, to the best of my knowledge, all of the statements and representations made in this Application are true and correct.

If [Grantee Name] violates the terms and conditions of a CASF award or other program and project compliance requirements, it shall be subject to Public Utilities Code Sections 2108 and 2111. The Commission may impose the maximum penalties allowed under Public Utilities Code Sections 2108 and 2111 for failure to meet the program and project compliance requirements, as determined by the Commission.

_____
Signature and title

_____
Type or print name and title

SUBSCRIBED AND SWORN to before me on the _____ day of ____, 20____.

Notary Public In and For the State of _____

My Commission expires: _____

ATTACHMENT D

CONSENT FORM

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Name of Grantee: _____

The California Advanced Services Fund (CASF) Grantee identified above acknowledges receipt of either a Resolution or a letter from Commission Staff approving a grant under the Ministerial Review process. The Grantee agrees to comply with all grant terms, conditions, and requirements set forth in Resolution T-_____ or letter _____, as well as all CASF rules, including those in the Broadband Infrastructure Accounts Requirements, Guidelines and Application Materials.

Licensed Contractor Reporting Requirement

All CASF Broadband Infrastructure Accounts grantees approved on or after July 21, 2021 must fulfill the monthly reporting requirements set forth in Public Utilities Code section 281(l)(1) when work done on this project by a licensed contractor or subcontractor to undertake a contract or subcontract exceeds twenty-five thousand dollars ($25,000). Grantee must submit this information monthly in an email to CASF_Infrastructure_Grant_Administrator@cpuc.ca.gov with the subject line "<Project Name> Contractor monthly report <Month> <Year>." Please note that pursuant to section 281(l)(2), the Commission will post this information on its website. The grantee must include the following:

1. The name and contractor's license number of each licensed contractor and subcontractor undertaking a contract or subcontract in excess of twenty-five thousand dollars ($25,000) to perform work on a project funded or financed pursuant to this section.
2. The location where a contractor or subcontractor described in subparagraph (1) will be performing that work.
3. The anticipated dates when that work will be performed.

☐ Undersigned representative of _____[Name of Grantee] is duly authorized to execute this Consent Form on behalf of the Grantee and to bind the Grantee to the terms, conditions, and requirements set forth in California Public Utilities Commission Resolution T-_____ or the letter referenced above.

Dated this _____ day of _____, 20___.

_____
Signature

_____
Printed Name

Title: _____

Organization or Name of Company: _____

_____

Business Address (include street address, suite/apt. number, city, state, and ZIP Code):

_____

Telephone Number (include area code): (_____)_____

Email Address: _____

ATTACHMENT E
SAMPLE ISSUES STAFF SHOULD ADDRESS IN IMPLEMENTING OPEN ACCESS REQUIREMENT

Middle-mile infrastructure is eligible for a CASF grant. Staff determined the middle-mile infrastructure is indispensable to serving the proposed project areas and thus eligible for CASF Funding pursuant to Pub. Util. Code § 281(f)(5)(B). The CASF funded portion of the middle-mile fiber network shall be made available for access to any communications service provider seeking interconnection. The grantee shall provide nondiscriminatory interconnection and internet access at reasonable and equal terms at any technically feasible interconnection point along the network. Further, the grantee must make all reasonable efforts to allow requesting parties to interconnect and procure transport service or wholesale a direct connection.

An interconnection that would exceed current or reasonably anticipated capacity limitations is not considered technically feasible. The grantee shall provide feasible interconnection points along the middle-mile network, which may include previously defined interconnection points, new and existing network exchange locations, and splice points. The grantee shall provide information detailing the fiber infrastructure to parties requesting to procure dark fiber including, but not limited to, fiber route maps, interconnection points, splice points, and type of fiber. In addition, the grantee must provide requesting parties with an ability to connect to the Internet irrespective of whether the CASF recipient connects to the Internet directly or indirectly.

Pricing and terms and conditions for interconnection shall be reasonable, equal, and nondiscriminatory. The grantee must offer tiered pricing or a range of options to fit different business models; offerings must be the same for all similarly situated interconnected entities such as Wholesale (ISP) / Government / Public Anchor Institution. Terms and conditions may include any essential elements of network operations such as cybersecurity, circuit provisioning, network outages, future capital investment costs, and operations and maintenance costs. CASF recipients must negotiate in good faith with all requesting parties (i.e., public, private, non-profit, or other parties) making a bona fide request for interconnection services.

In the event that the CASF recipient does not negotiate in good faith with a party requesting open access, the requesting party may file a complaint with the Commission.

Annual Reporting

For the serviceable life of the middle-mile infrastructure, a grantee must provide, in its confidential annual report to the Commission, a detailing of the number of interconnection requests and executed service agreements. The report must include: date of request, requesting party, location of requested interconnection, service requested, outcome of request, pricing, tariffs (if applicable), and terms and conditions.

ATTACHMENT F

CEQA QUESTIONNAIRE FOR APPLICATION ITEM 18

Please provide responses to the following:

1. A detailed map of the project area, including, geography, terrain, arterial transportation, urban and suburban development, and that includes the existing and proposed infrastructure for the project.

2. A detailed description of the project, including, project location (city, county, community, neighborhood, etc.), length of project, and roadways along the project alignment.

3. A detailed description of the project setting, including, land use, geography, terrain, arterial transportation, urban and suburban development, etc.

4. Provide photos of the Key Observation Points for the project and a preliminary design of the project.

5. Assumptions used regarding which type of CEQA review is anticipated and any citations to CEQA sections and exemptions as appropriate.

6. Does the project consist of the installation of new facilities primarily in new conduit or within new Right-of-Way or previously undisturbed ground?

7. Does the project consist of minor physical changes to existing facilities or the placement of facilities in or on existing buildings?

8. Will new fiber be installed in existing conduit, on existing utility poles, or placed underground? If underground, will it be located along an existing roadway?

9. If placing fiber on existing poles: will the project comply with the pole loading requirements of General Order 95?

10. Does the project involve the installation of underground or at-grade hand-holes, pull-boxes, and conduit vaults?

11. What is the total length of the fiber runs? What are the height/dimensions of any facilities (e.g. conduit, poles, cabinets, dishes, antennas or vaults)?

12. Are any other permits required for the project? What are they and which agency, local, state and federal, will issue them?

13. Have there been any environmental studies/technical reports completed for the project? Please provide.

14. Is the applicant aware of any sensitive environmental habitat, scenic highway or cultural resources near the project site?

15. Does the budget cover a PEA and possibly a Mitigated Negative Declaration or EA/EIR?

(END OF ATTACHMENT 1)