

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Communications Division
Broadband Regional Initiatives Branch**

**RESOLUTION T-17829
July 11, 2024**

RESOLUTION

RESOLUTION T-17829: Approves five applications for grants for up to \$44,425,780 from the Last Mile Federal Funding Account in Alameda, San Francisco, and Sierra counties, providing service to 2,097 unserved locations.

I. SUMMARY

This Resolution recommends approval of five Last Mile Federal Funding Account grants in the amount of up to \$44,425,780.

This Resolution is the second in a series of Resolutions approving grants to Federal Funding Account applicants for broadband infrastructure projects serving unserved areas in California. Subsequent Resolutions will be presented for Commission vote as Communications Division Staff completes its analyses of applications.

The five projects in this Resolution propose to make investments bringing the social, economic, civic, and public safety benefits of high-speed broadband to 2,097 unserved locations and an unserved population of 17,713 in Alameda, San Francisco, and Sierra counties. A total population of 165,131 people will benefit from these investments as households and businesses that already have service in these communities will benefit from greater consumer choice in the broadband market. The last-mile connections funded by these grants build upon the state-owned open-access Middle Mile Broadband Initiative and the publicly-funded open-access middle-mile infrastructure set forth in Decision (D.) 21-03-006. An estimated 61 percent of the locations that would receive service are located in low-income areas and 18 percent are located in disadvantaged areas.

Staff recommends grant awards to four entities: The City of Oakland, The City of Fremont, The City and County of San Francisco, and Plumas-Sierra Telecommunications. Oakland, Fremont, and San Francisco are incorporated cities of California. Plumas-Sierra Telecommunications is an Internet

Service Provider owned by Plumas-Sierra Rural Electric Cooperative, operating in parts of Plumas, Lassen, Sierra and Nevada counties.

Staff recommends the following five grant applications for Commission approval, shown in Table 1 below. Maps and summaries associated with each project are in the appendices.

Table 1: Summary of Grant Funding

Applicant	Project Name	Estimated Unserved Population	Estimated Unserved Locations	Awarded Amount
Alameda County				
City of Oakland	Oakland Connect – Last Mile Connectivity for Oaklanders	6,820	514	\$14,026,946
City of Fremont	City of Fremont Last Mile Broadband Project	3,474	302	\$7,690,056
Subtotal		10,294	816	\$21,717,002
San Francisco County				
City and County of San Francisco	Fair Shake Internet	5,771	434	\$10,393,500
Subtotal		5,771	434	\$10,393,500
Sierra County				
Plumas-Sierra Telecommunications	PST Loyalton-Sierra Brooks	1,380	671	\$7,367,499
Plumas-Sierra Telecommunications	PST Calpine	268	176	\$4,947,779
Subtotal		1,648	847	\$12,315,278
Grand Total		17,713	2,097	\$44,425,780

II. BACKGROUND

California's multi-year broadband investment package established the last mile Federal Funding Account as part of the Budget Act of 2021 and Senate Bill 156¹ and invested \$2 billion in the program over multiple years. The Federal Funding Account funds the construction of last-mile broadband infrastructure projects in unserved areas of California. The Federal Funding Account encourages the deployment of broadband throughout the State to enable the public to access Internet-based safety applications, telehealth services, emergency services, and to allow first responders to communicate with each other and collaborate during emergencies.

On April 21, 2022, the Commission issued D.22-04-055, Decision Adopting Federal Funding Account Rules. The rules and guidelines adopted in that decision included, among other items, the following: rules about projects to benefit Environmental and Social Justice Communities, affordable offers, five and ten-year price commitments, low-cost plans, project eligibility, application requirements, application objections, allocation of funding between rural and urban counties, process to reimburse grantees, a ministerial review process whereby Communications Division Staff may approve certain projects, and minimum performance standards for grantees.

The Federal Funding Account Decision and Appendix specify additional consideration for disadvantaged communities or Environmental and Social Justice (ESJ) communities.² The CPUC made available on the Federal Funding Account Public Map,³ the Applicant Tool,⁴ and data downloads locations and census blocks meeting these definitions.⁵ A grant application window was opened on June 30, 2023, and closed at

¹ Statute 2021, Chapters 84 and 112.

² The CPUC Environmental and Social Justice Action plan includes definitions and data indicators for disadvantaged or ESJ communities including Disadvantaged Communities defined by the California Environmental Protection Agency (CalEPA) and low-income households defined as household incomes below 80 percent of the area median income. The CPUC's ESJ Action Plan 2.0 is available at: <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj/esj-action-plan-v2jw.pdf>

³ The Federal Funding Account Public Map is available at: <https://federalfundingaccountmap.vetro.io/>

⁴ Registration for the Federal Funding Account Applicant Tool is available at: [FFA Applicant Tool Registration](#)

⁵ Disadvantaged or ESJ communities and individual locations, for purposes of the Federal Funding Account, include those in Disadvantaged Communities census tracts as defined by CalEPA and low-income areas in which the census block group median household income is 80 percent of the higher of the county or state average. This data is available for download on the Federal Funding Account Public Map page (visited April 26, 2024), <https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/last-mile-federal-funding-account/ffa-public-map> and the Federal Funding Account Application Resources Page (visited April 26, 2024),

4 p.m. on September 29, 2023; 484 applications were submitted. Application summaries were posted on October 23, 2023, and a 28-day objection period closed on November 20, 2023. Responses to objections were received until December 20, 2023.

Applications were holistically evaluated for required and supporting documentation and the merits of the applications were compared, and assessed, on a county basis. Following an initial analysis, Staff sent a data request to applicants and requested additional information. Staff's holistic evaluation included project engineering, technical feasibility and design, financial viability, applicant capacity, and community need, among others. Staff assessed how to manage overlapping applications and applications planning to include some already-served areas in their project area.⁶ Staff also evaluated how applications and groups of applications compared to competing applications in the same county.

III. APPLICATION SUMMARIES, DISCUSSION, AND RECOMMENDATIONS

This Resolution is the second in a series approving grants to Federal Funding Account applicants for broadband infrastructure projects serving unserved areas in California. Subsequent Resolutions will be presented for Commission vote as Communications Division Staff completes its analyses of applications.

Alameda County Summary

The allocation for projects in Alameda County in D.22-04-005 is \$24,517,148. This Resolution recommends awarding one grant to the City of Oakland and one grant to the City of Fremont for projects in Alameda County. The total recommended grant amount is \$21,717,002, leaving a remainder of \$2,800,146 of the allocation for projects in Alameda County.

Alameda County Awards

1. *City of Oakland, Oakland Connect – Last Mile Connectivity for Oaklanders*

<https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/last-mile-federal-funding-account/ffa-application-resources-page> .

⁶ D.22-04-055 states that “households and businesses with an identified need for additional broadband infrastructure do not have to be the only ones in the service area served by an eligible broadband infrastructure project. Indeed, serving these households and businesses may require a holistic approach that provides service to a wider area, for example, in order to make ongoing service of certain households or businesses within the service area economical.”

Staff recommends the Commission approve The City of Oakland's application for a grant of up to \$14,026,946 for the Oakland Connect – Last Mile Connectivity for Oaklanders project.

The City of Oakland proposes serving 302 unserved locations and an unserved population of 3,474. A population of 110,409 will benefit from these investments in the neighborhoods of West Oakland, Downtown, Fruitvale, and East Oakland.

The last-mile fiber project will provide up to 10 gigabits per second symmetrical service to consumers.

The Connect Oakland – Last Mile Connectivity for Oaklanders project will benefit disadvantaged or Environmental and Social Justice communities; 79 percent of the unserved locations in the project area are in areas designated low-income. The City of Oakland has committed to maintaining its prices for at least 10 years and will provide a low-cost plan that meets the requirements in D.22-04-055, Section 3.

The proposed project will cost an estimated \$16 million, of which the Federal Funding Account will fund approximately 90 percent of costs. The City of Oakland will provide the rest of the costs through matching funds.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant has demonstrated that it has the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received two objections from providers claiming to serve locations in the proposed project area. The City of Oakland responded to the two objections. Staff determined that multiple addresses provided by the providers are shown as being unable to receive fiber service according to the providers' websites, and that many of the locations the providers objected to are outside the project area of Oakland Connect – Last Mile Connectivity for Oaklanders. Staff also determined that the City of Oakland cannot viably serve all the unserved locations in the project area without serving the areas where the objectors provide competing services. Staff has not modified the City of Oakland's proposed project area; the Federal Final Rule⁷ and D. 22-04-055⁸ allow projects serving unserved locations to include served locations to improve project viability.

⁷ Department of the Treasury, Final Rule, Coronavirus State and Local Fiscal Recovery Funds, 31 C.F.R. Part 35, 87 FR 4338-4454 (January 27, 2022) (Final Rule), available at: <https://www.federalregister.gov/documents/2022/01/27/2022-00292/coronavirus-state-and-local-fiscal-recovery-funds>.

⁸ D.22-04-055, Appendix A, Section 2, page A-5.

Eighteen Federal Funding Account Public Map comments were submitted in Alameda County, none of which pertained to the eligibility of locations in the project area.⁹ The Connect Oakland – Last Mile Connectivity for Oaklanders project area’s unserved locations and any objection locations were evaluated in light of the latest Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to objections, comments, and this data, the number of unserved locations has been revised to 302, the project area is unchanged, and the total grant amount is unchanged.

Alameda County Board of Supervisors President Nate Miley, Oakland Mayor Sheng Thao, Alameda County Superintendent of Schools Alysse Castro, Oakland Unified School District Superintendent Dr. Kyla Johnson-Trammell, Executive Director of the Oakland Housing Authority Patricia Wells, Oakland Library Director Jamie Turbak, Tech Exchange Executive Director Ulises Zatarain, and The Greenlining Institute’s Vinhcent Le and Caroline Singh submitted letters of support for this project.

The proposed project will provide the public safety benefits of reliable broadband infrastructure. This project is not located in a High Fire Threat District and does not present safety concerns. This project will connect to the open-access Middle Mile Broadband Initiative.

Based on the information received, the Commission’s Energy Division has determined that this project has not met the requirements of California Environmental Quality Act (CEQA) categorical exemption at this time. The City of Oakland must comply with the CEQA requirements discussed in the appendices. If The City of Oakland provides additional documentation sufficient to justify a staff determination of CEQA exemption, then the project can be exempted by letter from the Communications Division Director or the director’s delegate or designee.

The City of Oakland and the Connect Oakland – Last Mile Connectivity for Oaklanders project complies with all requirements for approval in D.22-04-055. The Communications Division recommends that the Commission approve The City of Oakland’s application for a grant of up to \$14,026,946 for the Connect Oakland – Last Mile Connectivity for Oaklanders project.

2. City of Fremont, City of Fremont Last Mile Broadband Project

Staff recommends the Commission approve The City of Fremont’s application for a grant of up to \$7,690,056 for the City of Fremont Last Mile Broadband Project.

⁹ See Federal Funding Account Public Map, <https://federalfundingaccountmap.vetro.io/> (visited April 28, 2024).

The City of Fremont proposes serving 514 unserved locations and an unserved population of 3,474. A population of 15,218 will benefit from these investments in the City of Fremont. The last-mile fiber project will provide up to 10 gigabits per second symmetrical service to consumers.

The City of Fremont Last Mile Broadband Project will benefit disadvantaged or Environmental and Social Justice communities; 79 percent of the unserved locations in the project area are in areas designated low-income. The City of Fremont has committed to maintaining its prices for at least five years and will provide a low-cost plan that meets the requirements in D.22-04-055, Section 3.

The proposed project will cost an estimated \$8.5 million, of which the Federal Funding Account will fund approximately 90 percent of costs. The City of Fremont will provide the rest of the costs through matching funds.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant has demonstrated that it has the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received three objections. One objection was submitted by a private citizen regarding The City of Fremont's choice for a service provider partner. The City of Fremont responded to the objection. The objection from the private citizen did not identify an error of fact, policy, and/or statute, as required by D.22-04-055, and The City of Fremont sufficiently responded to the concerns raised about its chosen partner and technology.

Two objections were submitted by providers claiming to serve locations in the proposed project area. The City of Fremont responded to the two objections. Staff determined that multiple addresses provided by the providers are shown as being unable to receive fiber service according to the providers' websites, and that many of the locations the providers objected to are outside the project area. Staff also determined that the City of Fremont cannot viably serve all the unserved locations in the project area without serving the areas where the objectors provide competing services. Staff has not modified the City of Fremont's proposed project area; the Federal Final Rule¹⁰ and D.22-04-055¹¹ allow projects serving unserved locations to include served locations to improve project viability.

¹⁰ Department of the Treasury, Final Rule, Coronavirus State and Local Fiscal Recovery Funds, 31 C.F.R. Part 35, 87 FR 4338-4454 (January 27, 2022) (Final Rule), available at: <https://www.federalregister.gov/documents/2022/01/27/2022-00292/coronavirus-state-and-local-fiscal-recovery-funds>.

¹¹ D.22-04-055, Appendix A, Section 2, p. A-5.

Eighteen Federal Funding Account Public Map comments were submitted in Alameda County, none of which pertained to the eligibility of locations in the project area.¹² The City of Fremont Last Mile Broadband Project's project area's unserved locations and any objection locations were evaluated in light of the latest Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to objections, comments, and this data, the number of unserved locations has been revised to 514, the project area is unchanged, and the total grant amount is unchanged.

State Senator Aisha Wahab, State Assemblymember Alex Lee, and Fremont Family Resource Center Administrator Alina Kwak submitted letters of support for this project.

The proposed project will provide the public safety benefits of reliable broadband infrastructure. This project is not located in a High Fire Threat District and does not present safety concerns. This project will connect to the open-access Middle Mile Broadband Initiative.

The City of Fremont Last Mile Broadband Project is subject to CEQA review. The City of Fremont must complete CEQA review, as the lead agency, prior to the Commission disbursing FFA funds for construction activities. The initial funding granted in this Resolution may be used for project development and other activities that do not involve construction or any activities that would have any direct or indirect effect on the physical environment.

Pursuant to CEQA and Rule 2.4 of the Commission's Rules of Practice and Procedure, the Commission examines projects subject to CEQA to determine any potential environmental impacts in order that adverse effects are avoided, and environmental quality is restored or enhanced to the fullest extent possible under CEQA. In this instance, the Commission is the Responsible Agency under CEQA with respect to the environmental review of the City of Fremont Last Mile Broadband Project. The Commission, as a Responsible Agency, must adopt the City of Fremont's findings and conclusions as set out in Fremont's CEQA determination.

The City of Fremont and the City of Fremont Last Mile Broadband Project comply with all requirements for approval in D.22-04-055. The Communications Division recommends that the Commission approve The City of Fremont's application for a grant of up to \$7,690,056 for the City of Fremont Last Mile Broadband Project.

San Francisco County Summary

¹² See Federal Funding Account Public Map, <https://federalfundingaccountmap.vetro.io/> (visited April 28, 2024).

The allocation for projects in San Francisco County in D.22-04-005 is \$10,393,544. This Resolution recommends awarding one grant to The City and County of San Francisco for a project in San Francisco County. The recommended grant amount is \$10,393,500, leaving a remainder of \$44 in the allocation in San Francisco County.

San Francisco County Awards

1. The City and County of San Francisco, Fair Shake Internet

Staff recommends the Commission approve The City and County of San Francisco's application for a grant of \$10,393,500 for the Fair Shake Internet project.

The City and County of San Francisco proposes serving 434 unserved locations and an unserved population of 5,771. A population of 37,789 will benefit from these investments in the neighborhoods of Bayview, Chinatown, and Tenderloin. The last-mile fiber project will provide up to one gigabit per second symmetrical service to consumers.

The Fair Shake project will benefit disadvantaged or Environmental and Social Justice communities; 73 percent of the unserved locations in the project are low-income. The City and County of San Francisco has committed to maintaining its prices for at least 10 years and will provide a low-cost plan that meets the requirements in D.22-04-055, Section 3. The City and County of San Francisco proposes to provide free service to residents of affordable housing, Single Room Occupancy hotels, previously unserved locations, and small, disadvantaged businesses.

The proposed project will cost an estimated \$12 million, of which the Federal Funding Account will fund approximately 84 percent of costs. The City and County of San Francisco plans to use monies from its capital budget to fund the balance.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant has demonstrated that it has the administrative, technical, and operational capacity to provide broadband service at the scale of this project. In accordance with D.22-04-055, the proposed project area is unserved.

This application received one objection from a provider claiming to serve locations in the proposed project area. Staff verified that the objector provides service to one objected-to location in the Tenderloin and six locations in the Bayview district. Staff determined that the incremental costs of removing seven locations from the project would change the overall budget by less than \$10,000 after fixed costs were taken into account. In addition, this project promotes the program's goals of deploying affordable

broadband and increasing adoption. Staff has not modified the applicant's proposed project area or budget. This holistic analytical approach is based on the Federal Final Rule¹ and D.22-04-055,² which allow projects serving unserved locations to include served locations.

No Federal Funding Account Public Map comments were submitted in San Francisco County.¹³ The Fair Shake Internet project area's unserved locations and any objection locations were evaluated in light of the latest Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to objections, comments, and this data, the number of unserved locations has been revised to 434, the project area is unchanged, and the total grant amount is unchanged.

San Francisco Mayor London Breed, San Francisco President of the Board of Supervisors Aaron Peskin, San Francisco District 5 Supervisor Dean Preston, Chinatown Community Development Center Director of Housing Development Kim Piechota, Tenderloin Neighborhood Development Corporation IT Director Val Langmuir, Mission Housing Development Corporation Executive Director Sam Moss and Deputy Executive Director Marcia Contreras, Bernal Heights Neighborhood Center Executive Director, Mercy Housing Resident Service Coordinator Jazmine Lee, Community Tech Network Executive Director Kami Griffiths, and Dev/Mission CEO Leo Sosa submitted letters of support for this project.

The proposed project will provide the public safety benefits of reliable broadband infrastructure. This project is not located in a High Fire Threat District and does not present safety concerns. This project will connect to the open-access Middle Mile Broadband Initiative.

Based on the information received, the Commission's Energy Division has determined that this project has not met the requirements of California Environmental Quality Act (CEQA) categorical exemption at this time. The City and County of San Francisco must comply with the CEQA requirements discussed in the appendices. If The City and County of San Francisco provides additional documentation sufficient to justify a staff determination of CEQA exemption, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.

The City and County of San Francisco and the Fair Shake Internet project comply with all requirements for approval in D.22-04-055. The Communications Division recommends that the Commission approve The City and County of San Francisco's application for a grant of up to \$10,393,500 for the Fair Shake Internet project.

¹³ See Federal Funding Account Public Map, <https://federalfundingaccountmap.vetro.io/> (visited April 28, 2024).

Sierra County Summary

The allocation for projects in Sierra County in D.22-04-005 is \$12,506,375. This Resolution recommends awarding two grants to Plumas-Sierra Telecommunications for projects in Sierra County. The total recommended grant amount for projects in Sierra County is \$12,315,278, which leaves a remainder of \$191,097 of the allocation for Sierra County.

Sierra County Awards

1. *Plumas-Sierra Telecommunications, PST Loyalton-Sierra Brooks*

Staff recommends the Commission approve Plumas-Sierra Telecommunications application for a grant of up to \$7,367,499 for the PST Loyalton-Sierra Brooks project.

Plumas-Sierra Telecommunications proposes serving 671 unserved locations and an unserved population of 1,380. A population of 1,406 will benefit from these investments in and around the communities of Loyalton and Sierra Brooks. The last-mile fiber project will provide up to one gigabit per second symmetrical service to consumers.

The PST Loyalton-Sierra Brooks project will benefit disadvantaged or Environmental and Social Justice communities; 100 percent of the unserved locations are low-income. Plumas-Sierra Telecommunications has committed to maintaining its prices for at least 10 years and will provide a low-cost plan that meets the standards set in D.22-04-055.

The proposed project will cost an estimated \$7 million, of which the Federal Funding Account will fund 100 percent of costs.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant has demonstrated that it has the administrative, technical, and operational capacity to provide broadband service at the scale of this project. In accordance with D. 22-04-055, the proposed project area is unserved.

This application did not receive any objections.

Two Federal Funding Account Public Map comments were submitted in Sierra County.¹⁴ The PST Loyalton-Sierra Brooks project area's unserved and objection locations were evaluated in light of the latest Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to objections,

¹⁴ See Federal Funding Account Public Map, <https://federalfundingaccountmap.vetro.io/> (visited April 28, 2024).

comments, and this data, the number of unserved locations is revised to 671, the project area is unchanged, and the total grant amount is unchanged.

State Senator Brian Dahle, Sierra County Supervisor Sharon Dryden, the Sierra County Chamber of Commerce Board of Directors, and East Sierra Valley Chamber of Commerce Board Member Michael H. Welbourn submitted letters of support for this application.

The proposed project provides the public safety benefits of reliable broadband infrastructure and will benefit households located in Tier 2 High Fire Threat Districts. This project will connect to Plumas-Sierra Telecommunications' open-access middle-mile infrastructure, which utilized funds from the federal American Recovery and Reinvestment Act and the California Advanced Services Fund.¹⁵

Based on the information received, the Commission's Energy Division has determined that this project has not met the requirements of CEQA categorical exemption at this time. Plumas-Sierra Telecommunications must comply with the CEQA requirements discussed in the appendices. If Plumas-Sierra Telecommunications provides additional documentation sufficient to justify a staff determination of CEQA exemption, then the project may be exempted by letter from the Communications Division Director or the director's delegate or designee.

Plumas-Sierra Telecommunications and the PST Loyalton-Sierra Brooks project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve Plumas-Sierra Telecommunications' application for a grant of up to \$7,367,499 for the PST Loyalton-Sierra Brooks project.

2. Plumas-Sierra Telecommunications, PST Calpine

Staff recommends the Commission approve Plumas-Sierra Telecommunications' application for a grant of up to \$4,947,779 for the PST Calpine project.

Plumas-Sierra Telecommunications proposes serving 176 unserved locations and an unserved population of 268. A population of 309 will benefit from these investments in and around the communities of Calpine and Sattley. The last-mile fiber project will provide up to one gigabit per second symmetrical service to consumers.

The PST Calpine project will benefit disadvantaged or Environmental and Social Justice communities though will not serve more than 50 percent disadvantaged or low-income locations and so does not receive special consideration; 28 percent of the unserved locations are low-income. Plumas-Sierra Telecommunications has committed to maintaining its prices for at least 10 years and will provide a low-cost plan that meets the requirements in D.22-04-055.

¹⁵ See D.21-03-006, Decision Modifying Data Submission Requirements and Requiring Open Access For California Advanced Services Fund Projects.

The proposed project will cost an estimated \$5 million, of which the Federal Funding Account will fund 100 percent of costs.

Staff determined that the applicant and the project are financially viable, and the applicant's engineering meets the program standards. The applicant has demonstrated that it has the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application did not receive any objections.

Two Federal Funding Account Public Map comments were submitted in Sierra County.¹⁶ The PST Calpine project area's unserved locations and any objection locations were evaluated in light of the latest Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to objections, comments, and this data, the number of unserved locations is unchanged at 176, the project area is unchanged, and the total grant amount is unchanged.

State Senator Brian Dahle, Sierra County Supervisor Sharon Dryden, the Sierra County Chamber of Commerce Board of Directors, and East Sierra Valley Chamber of Commerce Board Member Michael H. Welbourn submitted letters of support for this application.

The proposed project provides the public safety benefits of reliable broadband infrastructure and will benefit households located in Tier 2 High Fire Threat Districts. This project will connect to Plumas-Sierra Telecommunications' open-access middle-mile infrastructure, which utilized funds from the federal American Recovery and Reinvestment Act and the California Advanced Services Fund.¹⁷

Based on the information received, the Commission's Energy Division has determined that this project has not met the requirements of CEQA categorical exemption at this time. Plumas-Sierra Telecommunications must comply with the CEQA requirements discussed in the appendices. If Plumas-Sierra Telecommunications provides additional documentation sufficient to justify a staff determination of CEQA exemption, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.

¹⁶ See Federal Funding Account Public Map, <https://federalfundingaccountmap.vetro.io/> (visited April 28, 2024).

¹⁷ See D.21-03-006, Decision Modifying Data Submission Requirements and Requiring Open Access For California Advanced Services Fund Projects.

Plumas-Sierra Telecommunications and the PST Calpine project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve Plumas-Sierra Telecommunications' application for a grant of up to \$4,947,779 for the PST Calpine project.

COMMENTS

In compliance with Public Utilities Code Section 311(g)(1), a Notice of Availability of this draft resolution was e-mailed on June 7, 2024, informing all parties on the CASF Distribution List of the availability of the draft of this Resolution, and of the opportunity to comment, at the Commission's website at <http://www.cpuc.ca.gov/>.

IV. COMPLIANCE REQUIREMENTS

Awardees are required to comply with all the guidelines, requirements, and conditions associated with the grant of Federal Funding Account awards as specified in D.22-04-055. All Awardees are also required to sign a consent form agreeing to the terms and conditions of the Federal Funding Account. Such compliance includes, but is not limited to, the items noted below.

A. Deployment Schedule: All CEQA-exempt projects must be completed within 18 months, and all other projects shall be completed within 24 months after receiving authorization to construct.

B. Pricing: By accepting these awards, the Awardees commit to serve customers in the project area at prices not exceeding those provided in the application for five years after project completion. Awardees who committed not to increase prices for a period of 10 years in their application commit to serve customers in the project area for 10 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 file and serve, on the Resolution 20-09-001 proceeding service list, a request to modify this requirement with the Communications Division.

C. Speed and Latency: All households in the proposed project areas must be offered a broadband Internet service plan with speeds of at least 100 megabits per second (Mbps) download and 100 Mbps upload, with not more than 100 milliseconds of latency.

D. Affordability: All projects shall participate in the Affordable Connectivity Program (ACP) or otherwise provide access to a broad-based affordability program to low-income 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.

E. Project Audit: The Commission has the right to conduct any necessary audit, verification, and discovery during project implementation/construction to ensure that Federal Funding Account funds are spent in accordance with Commission approval. All recipients of federally funded grants exceeding \$750,000 will need to include a budget for a federal audit.¹⁸

F. Reporting Requirements: Numerous post-award reports are required. In summary, these include monthly construction progress reports, monthly contractor reports (if applicable), quarterly progress reports, and a final completion report.¹⁹

G. Prevailing Wage: Section 1720 of the California Labor Code requires Federal Funding Account projects be subject to prevailing wage requirements.²⁰ Applicants accepting Federal Funding Account awards are committing to follow state prevailing wage requirements with regards to their projects.

H. Payments to Federal Funding Account Recipients: The Commission may reimburse Awardees' expenses in accordance with Public Utilities Code Section 281(f)(11). 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 a minimum of 10 percent of the project (as determined by budget spent) has been completed. Subsequent payments may be made upon at least 25-percent intervals, with the final 15 percent payment request (from 85 to 100 percent) not eligible for payment 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 Federal Funding Account budget included in the awardee's application.

FINDINGS OF FACT

1. California's multi-year broadband infrastructure investments in the Budget Act of 2021 and Senate Bill 156 (Statutes 2021, Chapters 84 and 112) provided \$2 billion over multiple years to the Last Mile Federal Funding Account to facilitate, via

¹⁸ Treasury, Compliance and Reporting Guidance State and Local Fiscal Recovery Funds (November 15, 2021 Version 2.1), available at <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>.

¹⁹ D.22-04-055, Appendix A, Section 14.

²⁰ D.22-054-055, Section 13.2, page 57.

reimbursement, construction of last-mile broadband infrastructure projects to connect unserved Californians.

2. On April 21, 2022, the Commission approved Decision 22-04-055, which along with the Federal Final Rule, established the Last Mile Federal Funding Account and set program rules.
3. The Communications Division opened an application window for the Federal Funding Account on June 30, 2023, and closed it on September 29, 2023. Applicants submitted 484 applications before the deadline. Application summaries were posted on October 23, 2023, and a 28-day objection window closed on November 20, 2023. Responses to objections were received until December 20, 2023.
4. The City of Oakland submitted an application for the Connect Oakland – Last Mile Connectivity for Oaklanders project on September 28, 2023.
5. The City of Fremont submitted an application for the City of Fremont Last Mile Broadband Project on September 28, 2023.
6. The City and County of San Francisco submitted an application for the Fair Shake Internet project on September 27, 2023.
7. Plumas-Sierra Telecommunications submitted applications for the PST Calpine and PST Loyalton-Sierra Brooks projects on September 28, 2023.
8. The Commission has determined that the City of Oakland’s Connect Oakland – Last Mile Connectivity for Oaklanders project is not categorically exempt from California Environmental Quality Act review at this time.
9. The City of Fremont will act as the Lead Agency pursuant to the California Environmental Quality Act for the environmental review of the City of Fremont Last Mile Broadband Project.
10. Project-specific environmental impacts for the City of Fremont Last Mile Broadband Project are speculative at this time because the project is not fully designed.
11. The Commission has determined that the City and County of San Francisco’s Fair Shake Internet project is not categorically exempt from California Environmental Quality Act review.

12. The Commission has determined that Plumas-Sierra Telecommunications' PST Calpine and PST Loyalton-Sierra Brooks projects are not categorically exempt from California Environmental Quality Act review at this time.
13. Communications Division staff analyzed the applications for compliance with Commission and Federal rules, reviewed local feedback, and conducted fiscal and technical analysis.
14. All applications listed above met minimum eligibility requirements provided in Decision 22-04-055.
15. Staff recommends approval of the applications in this resolution, as they comply with program rules as stated and contribute to the Federal Funding Account's goal of building broadband Internet infrastructure to communities without access to Internet service at sufficient and reliable speeds.
16. Draft Resolution T-17829 was emailed to the CASF distribution list on May 31, 2024, in compliance with Public Utilities Code Section 311(g)(1).

THEREFORE, IT IS ORDERED that:

1. The Commission shall award up to \$14,026,946 in Federal Funding Account funds to the City of Oakland to complete the Oakland Connect – Last Mile Connectivity for Oaklanders project, as described in the appendices.
2. The Commission shall award up to \$7,690,056 in Federal Funding Account funds to the City of Fremont in order to complete the City of Fremont Last Mile Broadband Project, as described in the appendices.
3. The Commission shall award up to \$10,393,500 in Federal Funding Account funds to The City and County of San Francisco in order to complete the Fair Shake Internet project, as described in the appendices.
4. The Commission shall award up to \$4,947,779 in Federal Funding Account funds to Plumas-Sierra Telecommunications in order to complete the PST Calpine project, as described in the appendices.
5. The Commission shall award up to \$7,367,499 in Federal Funding Account funds to Plumas-Sierra Telecommunications in order to complete the PST Loyalton-Sierra Brooks project, as described in the appendices.

6. The Commission cannot release funds for construction activities until California Environmental Quality Act (CEQA) review is complete. The awardees must comply with the requirements set forth in the CEQA Section of the Resolution. The awardees must provide their Proponent's Environmental Assessment for each project prior to the first payment.
7. Awardee(s) shall comply with all guidelines, requirements, and conditions set forth in this resolution.
8. All construction covered by the grant must be completed within the applicable 18-month or 24-month time frame. In the event of extenuating circumstances jeopardizing this timeline, the Awardee(s) must notify the Communications Division's Director as soon as they become aware of any delay. If such notice is not provided, staff can take corrective actions including reducing payment for failure to satisfy this requirement.
9. If the awardee(s) fail to complete the project(s) in accordance with the terms outlined in Decision 22-04-055 and with the terms of the Commission's approval, as set forth in this resolution, awardees must reimburse some or all the Federal Funding Account grants received or take other corrective action.
10. If staff evaluation finds any of the projects can be exempt from the California Environmental Quality Act, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.
11. The effective date of the Resolution and encumbrance of funds is to be set, in consultation with the Applicant, by letter from the Communications Division Director or the director's delegate or designee. All awards are contingent on available state budget appropriations funding and may be subject to Budget Letter 24-07.²¹

²¹ Department of Finance Budget Letter 24-07, "Onetime Appropriation(s) Expenditure Freeze Pursuant to Section 21 of the Budget Act of 2023 (As Amended by Section 74 of AB 106 (Chapter 9, Statutes of 2024))," available at: <https://dof.ca.gov/wp-content/uploads/sites/352/2024/04/BL-24-07.pdf>

This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on _____, the following Commissioners voting favorable thereon:

Rachel Peterson
Executive Director

APPENDIX A

City of Oakland California Environmental Quality Act Compliance Requirements

The following City of Oakland project is subject to California Environmental Quality Act (CEQA) review:

- Oakland Connect – Last Mile Connectivity for Oaklanders

The Commission must complete CEQA review prior to disbursing Federal Funding Account funds for construction activities. The initial funding granted in this Resolution may be used for project development and other City of Oakland activities that do not involve construction or any activities that would have any direct or indirect effect on the physical environment.

Prior to any construction activity for the listed projects, the City of Oakland is required to seek further authority from the Commission for such activity by filing a Proponent's Environmental Assessment (PEA) pursuant to Commission Rule of Practice and Procedure 2.4; and must undergo an environmental review pursuant to CEQA (California Public Resources Code Section 21000 et seq.).

The City of Oakland should contact the Supervisor of the Commission's Energy Division CEQA Unit well in advance of a contemplated filing to (a) consult with staff regarding the process of developing and filing a PEA; (b) provide for cost recovery per Rule of Practice and Procedure 2.5; and (c) enter into a Memorandum of Understanding to allow the Energy Division to initiate the retention of an environmental contractor to perform the environmental review.

The City of Oakland must provide a PEA prior to the first payment. The Commission cannot release funds for the construction project until the Commission has completed CEQA review.

If staff evaluation finds the projects can be exempt from CEQA, then the project can be exempted by letter from the Commission.

APPENDIX B

City of Fremont California Environmental Quality Act Compliance Requirements

The following City of Fremont project is subject to California Environmental Quality Act (CEQA) review:

- City of Fremont Last Mile Broadband Project

This project will take place in the City of Fremont, in Alameda County. The City of Fremont is seeking Federal Funding Account funding for the proposed City of Fremont Last Mile Broadband Project. For this project, the City of Fremont acts as the Lead Agency for the project pursuant to the CEQA Act. The project's final design is not yet complete and any potential environmental impacts are speculative at this time.

This project consists of roughly 132,445 feet of new fiber routes, broken down between 72,100 feet of underground fiber and 60,345 feet of aerial fiber. All underground routes will be laid within existing rights of way while all aerial routes will be attached to pre-existing poles. Portions of the project that require new conduit/facilities will all be placed within existing rights of way along existing public roadways, sidewalks, curbs, and gutters. After fiber installation, restoration to all roadways, sidewalks, and landscaping will be returned to their original condition in a timely manner.

In the northeast, aerial fiber is proposed to be installed on Central Avenue, from Blacow Road westerly to Fremont Boulevard. In the southeast, aerial fiber is proposed to be installed on Mission Boulevard that will connect to Niles Boulevard and Old Canyon Road. This aerial line will continue southernly and will connect to a new underground fiber line on Mission Boulevard and Stevenson Boulevard. Additionally, there is proposed aerial fiber on Driscoll Road between Mission Boulevard and Washington Boulevard. When placing fiber on existing poles or replacing poles, Fremont would ensure the poles comply with General Order 95.

APPENDIX C
City and County of San Francisco California Environmental Quality Act Compliance Requirements

The following City and County of San Francisco project is subject to California Environmental Quality Act (CEQA) review:

- Fair Shake Internet

The Commission must complete CEQA review prior to disbursing Federal Funding Account funds for construction activities. The initial funding granted in this Resolution may be used for project development and other City and County of San Francisco activities that do not involve construction or any activities that would have any direct or indirect effect on the physical environment.

Prior to any construction activity for the listed projects, the City and County of San Francisco is required to seek further authority from the Commission for such activity by filing a Proponent's Environmental Assessment (PEA) pursuant to Commission Rule of Practice and Procedure 2.4; and must undergo an environmental review pursuant to CEQA (California Public Resources Code Section 21000 et seq.).

The City and County of San Francisco should contact the Supervisor of the Commission's Energy Division CEQA Unit well in advance of a contemplated filing to (a) consult with staff regarding the process of developing and filing a PEA; (b) provide for cost recovery per Rule of Practice and Procedure 2.5; and (c) enter into a Memorandum of Understanding to allow the Energy Division to initiate the retention of an environmental contractor to perform the environmental review.

The City and County of San Francisco must provide a PEA prior to the first payment. The Commission cannot release funds for the construction project until the Commission has completed CEQA review.

If staff evaluation finds the projects can be exempt from CEQA, then the project can be exempted by letter from the Commission.

APPENDIX D

Plumas-Sierra Telecommunications California Environmental Quality Act Compliance Requirements

The following Plumas-Sierra Telecommunications projects are subject to California Environmental Quality Act (CEQA) review:

- PST Calpine
- PST Loyalton-Sierra Brooks

The Commission must complete CEQA review prior to disbursing Federal Funding Account funds for construction activities. The initial funding granted in this Resolution may be used for project development and other Plumas-Sierra Telecommunications activities that do not involve construction or any activities that would have any direct or indirect effect on the physical environment.

Prior to any construction activity for the listed projects, Plumas-Sierra Telecommunications is required to seek further authority from the Commission for such activity by filing a Proponent's Environmental Assessment (PEA) pursuant to Commission Rule of Practice and Procedure 2.4; and must undergo an environmental review pursuant to CEQA (California Public Resources Code Section 21000 et seq.).

Plumas-Sierra Telecommunications should contact the Supervisor of the Commission's Energy Division CEQA Unit well in advance of a contemplated filing to (a) consult with staff regarding the process of developing and filing a PEA; (b) provide for cost recovery per Rule of Practice and Procedure 2.5; and (c) enter into a Memorandum of Understanding to allow the Energy Division to initiate the retention of an environmental contractor to perform the environmental review.

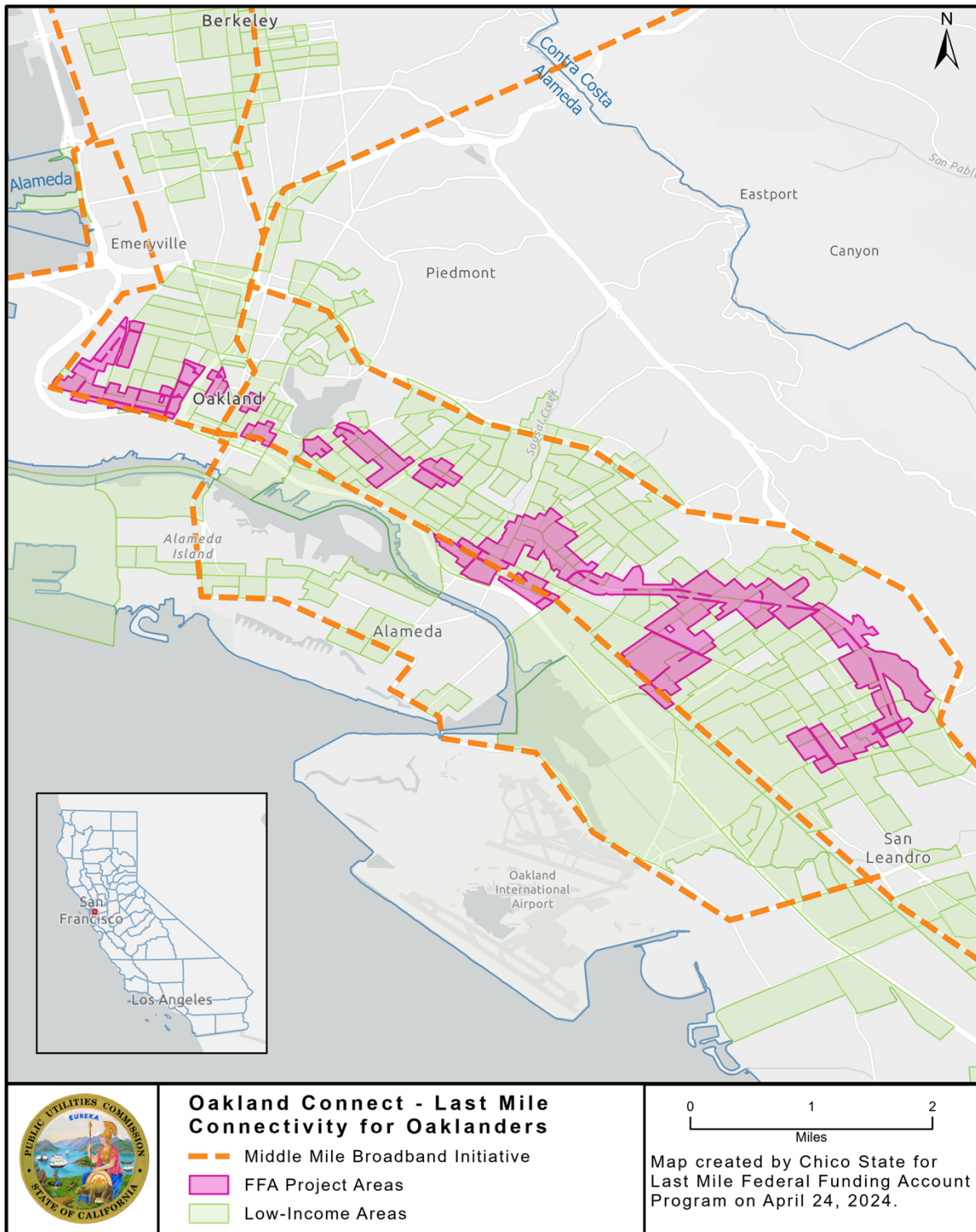
Plumas-Sierra Telecommunications' listed applications are subject to National Environmental Policy Act (NEPA) review, as acknowledged in its application. Plumas-Sierra Telecommunications should make every effort to ensure that the Commission's CEQA Unit is aware of and included in the NEPA process. Plumas-Sierra Telecommunications must provide a PEA prior to the first payment. The Commission cannot release funds for the construction project until the Commission has completed CEQA review.

If staff evaluation finds the projects can be exempt from CEQA, then the project can be exempted by letter from the Commission.

APPENDIX E
Oakland Connect – Last Mile Connectivity for Oaklanders
Key Information

Project Name	Oakland Connect - Last Mile Connectivity for Oaklanders
Applicant Name	The City of Oakland
Community Names	City of Oakland: West Oakland, Downtown, Fruitvale, and East Oakland
County	Alameda
County Allocation	\$24,517,148
Project Size (in square miles)	6
Maximum Download/Upload speed	10,000 Mbps / 10,000 Mbps
Percent Disadvantaged Communities	60 percent
Percent Low-Income Areas	79 percent
Median Household Income (weighted)	\$53,875
Area Households	42,188
Area Population	110,409
Estimated Unserved locations in the project area	302
Estimated Unserved population in the project area	3,474
Does the project connect to public open access middle mile?	Yes
Deployment Schedule	18 Months
Total Project Cost	\$15,590,073
Amount of FFA grant funds requested	\$14,026,946
Applicant funded	\$1,563,127
Grant per unserved location passed	\$46,446

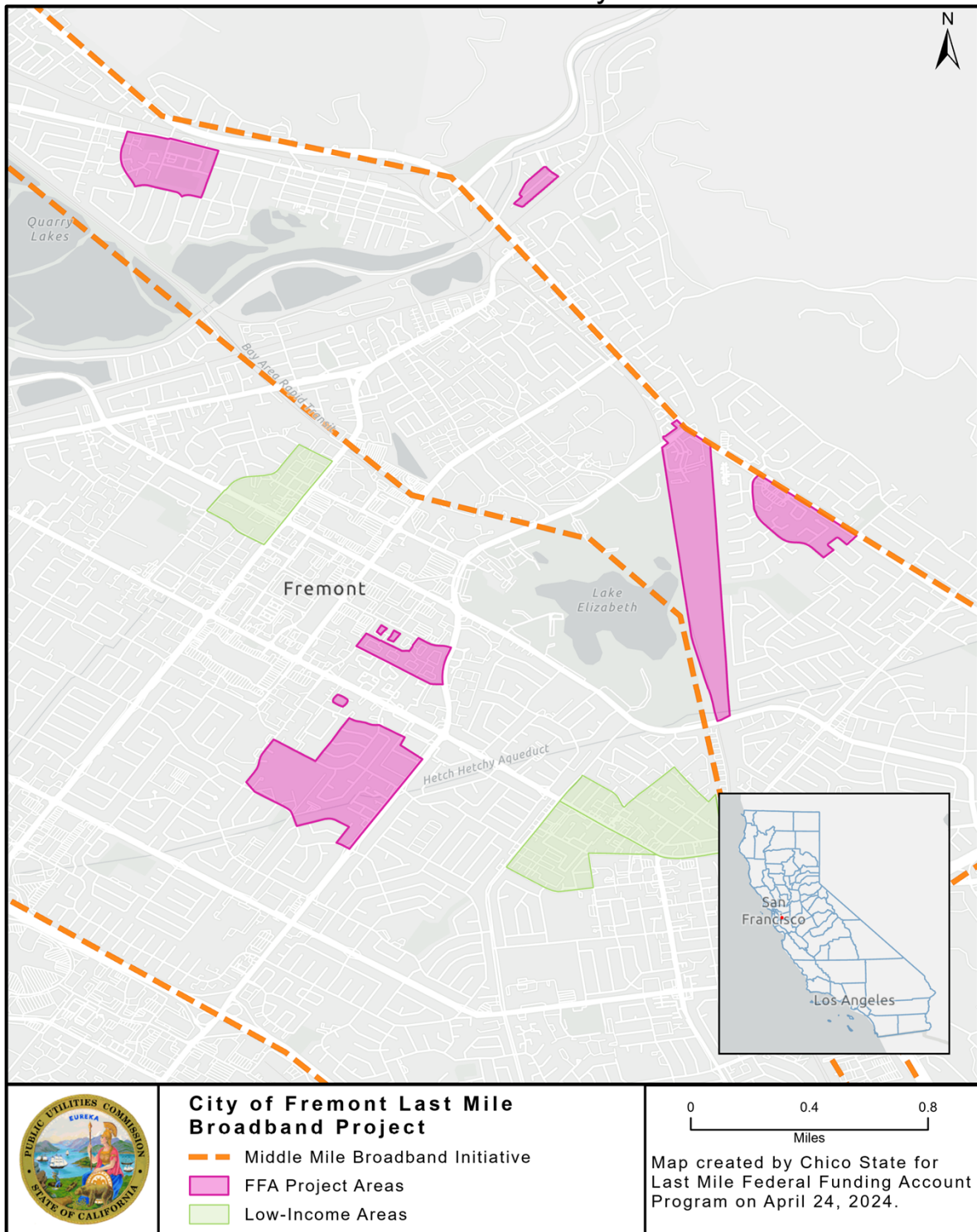
Map of Oakland Connect - Last Mile Connectivity for Oaklanders
The City of Oakland- Oakland Connect- Last Mile Connectivity for Oaklanders-
Alameda County



APPENDIX F
City of Fremont Last Mile Broadband Project
Key Information

Project Name	City of Fremont Last Mile Broadband Project
Applicant Name	City of Fremont
Community Names	City of Fremont
County	Alameda
County Allocation	\$24,517,148
Project Size (in square miles)	1
Maximum Download/Upload speed	10 Gbps / 10 Gbps
Percent Disadvantaged Communities	0 percent
Percent Low-Income Areas	0 percent
Median Household Income (weighted)	\$125,242
Area Households	5,627
Area Population	15,218
Estimated Unserved locations in the project area	514
Estimated Unserved population in the project area	6,820
Does the project connect to public open access middle mile?	Yes
Deployment Schedule	18 Months
Total Project Cost	\$8,493,304
Amount of FFA grant funds requested	\$7,690,056
Applicant funded	\$803,248
Grant per unserved location passed	\$14,961

Map of City of Fremont Last Mile Broadband Project
City of Fremont- City of Fremont Last Mile Broadband Project-
Alameda County

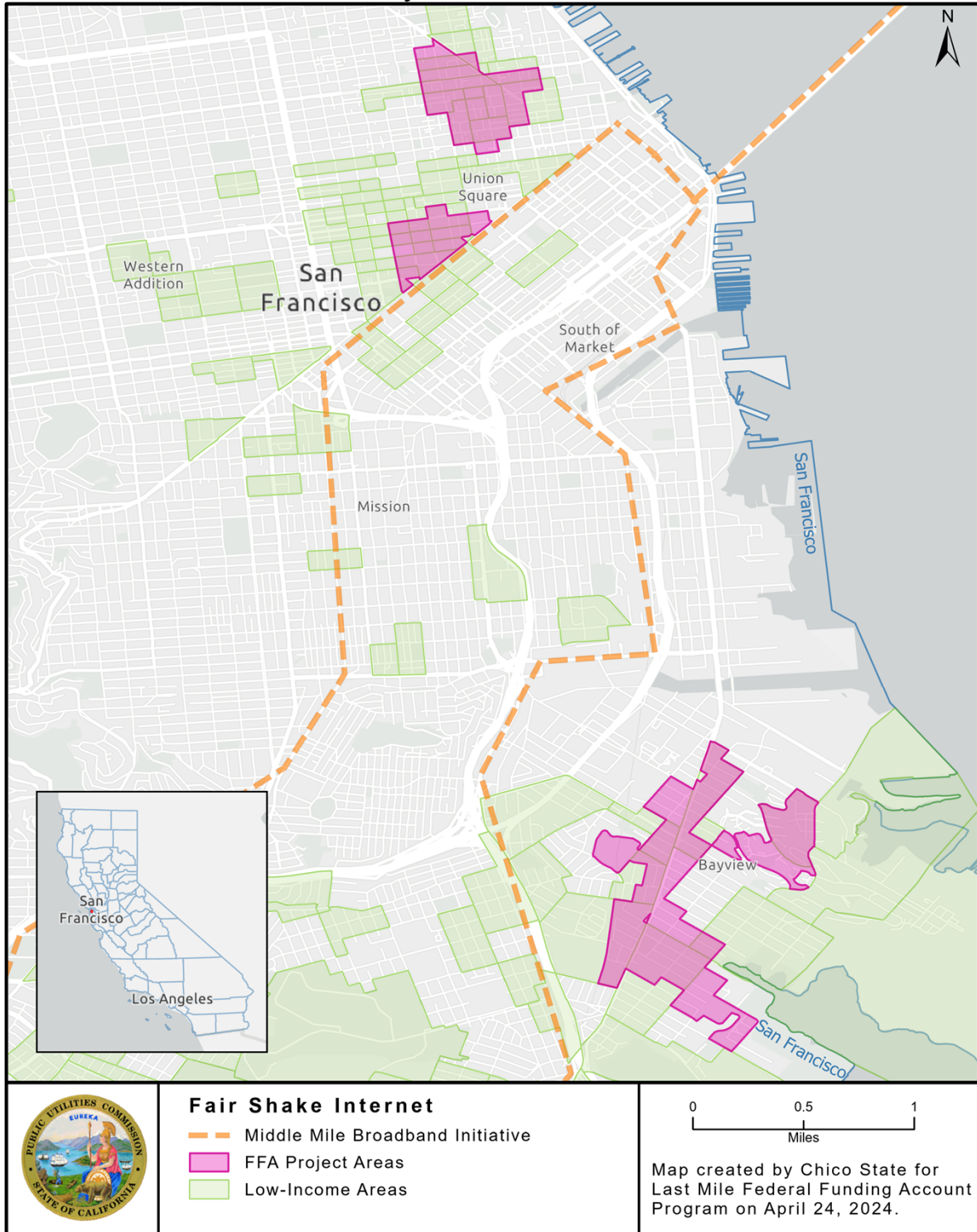


APPENDIX G
Fair Shake Internet
Key Information

Project Name	Fair Shake Internet
Applicant Name	City & County of San Francisco, Department of Technology
Community Names	Bayview, Chinatown and Tenderloin Neighborhoods of San Francisco
County	San Francisco County
County Allocation	\$10,393,544
Project Size (in square miles)	1
Maximum Download/Upload speed	1000 Mbps / 1000 Mbps
Percent Disadvantaged Communities	44 percent
Percent Low-Income Areas	73 percent
Median Household Income (weighted)	\$52,264.00
Area Households	17,239
Area Population	37,789
Estimated unserved locations in the project area	434
Estimated unserved population in the project area	5,771
Does the project connect to public open access middle mile?	Yes
Deployment Schedule	18 months
Total Project Cost	\$12,472,400
Amount of FFA grant funds requested	\$10,393,500
Applicant funded	\$2,078,900
Grant per unserved location passed	\$24,227

Map of Fair Shake Internet

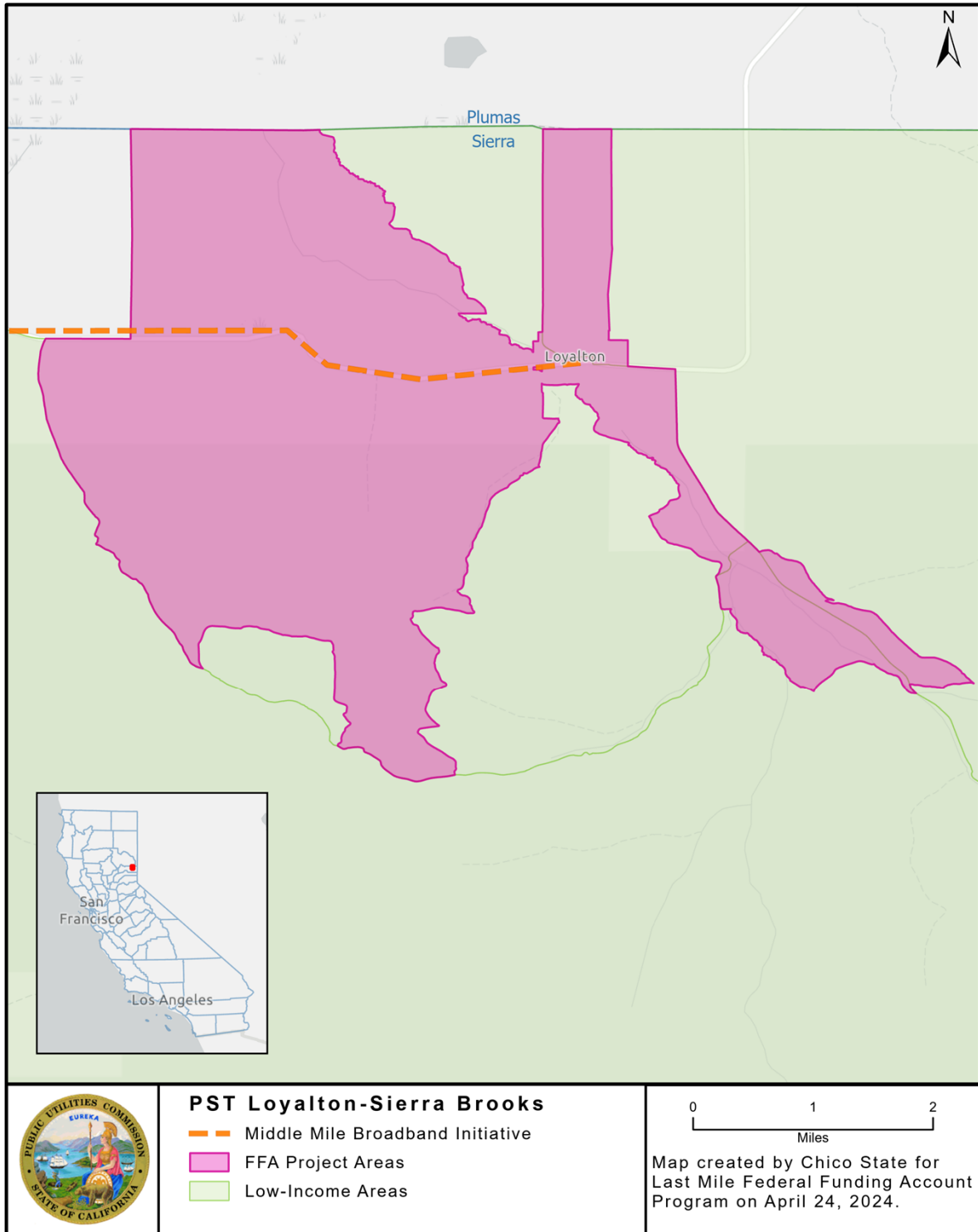
City & County of San Francisco- Fair Shake Internet County of San Francisco



APPENDIX H
PST Loyalton-Sierra Brooks
Key Information

Project Name	PST Loyalton-Sierra Brooks
Applicant Name	Plumas-Sierra Telecommunications
Community Names	Loyalton and Sierra Brooks
County	Sierra
County Allocation	\$12,506,375
Project Size (in square miles)	28
Maximum Download/Upload speed	1 Gbps / 1 Gbps
Percent Disadvantaged Communities	0 percent
Percent Low-Income Areas	100 percent
Median Household Income (weighted)	\$71,429
Area Households	607
Area Population	1,406
Estimated Unserved locations in the project area	671
Estimated Unserved population in the project area	1,380
Does the project connect to public open access middle mile?	Yes
Deployment Schedule	24 Months
Total Project Cost	\$7,367,499
Amount of FFA grant funds requested	\$7,367,499
Applicant funded	\$0
Grant per unserved location passed	\$10,979

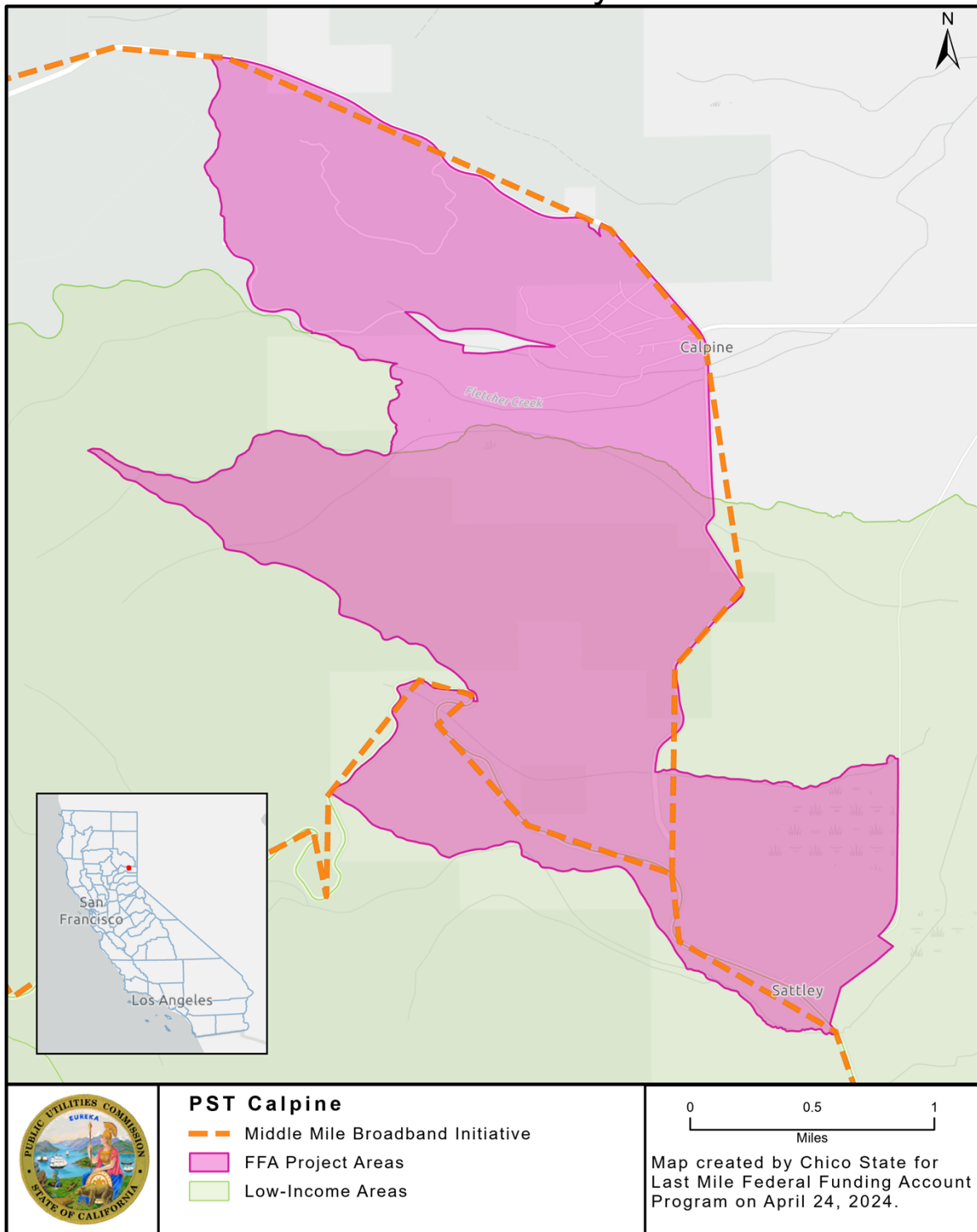
Map of PST Loyalton-Sierra Brooks
Plumas-Sierra Telecommunications- PST Loyalton-Sierra Brooks-
Sierra County



APPENDIX I
PST Calpine
Key Information

Project Name	PST Calpine
Applicant Name	Plumas-Sierra Telecommunications
Community Names	Calpine and Sattley
County	Sierra
County Allocation	\$12,506,375
Project Size (in square miles)	11
Maximum Download/Upload speed	1 Gbps / 1 Gbps
Percent Disadvantaged Communities	0 percent
Percent Low-Income Areas	28 percent
Median Household Income (weighted)	\$71,429
Area Households	152
Area Population	309
Estimated Unserved locations in the project area	176
Estimated Unserved population in the project area	268
Does the project connect to public open access middle mile?	Yes
Deployment Schedule	24 Months
Total Project Cost	\$4,947,779
Amount of FFA grant funds requested	\$4,947,779
Applicant funded	\$0
Grant per unserved location passed	\$28,112

Map of PST Calpine Plumas-Sierra Telecommunications- PST Calpine- Sierra County



APPENDIX J
**California Public Utilities Commission
Federal Funding Account, Last-Mile Program
Guidance to Staff Regarding
CONSENT FORM
Acknowledgement and Acceptance of Terms**

Awardee Name: _____

Key Project Contact: _____

The Awardee identified above acknowledges receipt of the California Public Utilities Commission Resolution or Award Letter and agrees to comply with all grant terms, conditions, and requirements set forth in the Resolution or Award Letter including those in the Federal Funding Account, Last Mile Program Rules.

Undersigned representative of _____ [Name of Awardee]
is duly authorized to execute this Consent Form on behalf of the Awardee and to bind the Awardee to the terms, conditions, and requirements set forth in California Public Utilities Commission Resolution or Award Letter and those in the Federal Funding Account, Last Mile Program Rules.

Dated this ____ day of _____, 20____.

Signature of Awardee Representative:

Title _____

Printed Name _____

Name of Business, Organization, Local Agency or Tribe:

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

Telephone Number: _____

Email Address: _____