

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

**RESOLUTION E-5340
August 1, 2024**

R E S O L U T I O N

Resolution E-5340. Digital 299 Broadband Project Addendum to the Final Environmental Assessment and Initial Study/ Mitigated Negative Declaration (EA/IS-MND) Vero Fiber Networks, LLC (Vero). Request for Approval Pursuant to the California Environmental Quality Act (CEQA).

PROPOSED OUTCOME:

- This Resolution approves the CEQA Addendum to the Vero Digital 299 Fiber Optic Broadband Project Final EA/IS-MND which addresses a minor modification to the Digital 299 Broadband Project to allow a change of project alignment to enable the Project to better serve the local community.

SAFETY CONSIDERATIONS:

- Vero is required by Public Utilities Code Section 451 to provide services that promote the safety, health, comfort, and convenience of their patrons, employees and the public.

ESTIMATED COST:

- The estimated cost of the proposed realignment is not more than the alignment approved in the EA/IS-MND. Vero is bearing the full cost of the proposed change in project alignment

SUMMARY

This Resolution approves the Addendum to the Final Digital 299 Broadband Project EA/IS-MND. The Addendum has been prepared to evaluate the environmental impacts of the proposed project modification (Proposed Modification) involving a minor realignment of the fiber optic route through McKinleyville, CA. As described in the Addendum, the Proposed Modification is not a substantial change to the project and would not result in any new significant environmental impacts or any substantial

increases in the severity of previously identified impacts. The Proposed Modification do not otherwise trigger the need to prepare a subsequent EIR or negative declaration pursuant to CEQA Guidelines Section 15162. Therefore, the CPUC has determined that a subsequent negative declaration is not required and an Addendum to the EA/IS-MND is the appropriate level of CEQA review to address the Proposed Modification. The analysis in the Addendum provides the basis for this conclusion. Because the Proposed Modification does not cross any federal jurisdiction, the CPUC is the sole authority to adopt this Addendum in compliance with CEQA. The Addendum has been prepared in compliance with CEQA Guidelines Section 15164.

BACKGROUND

On December 15, 2022, the CPUC approved Resolution T-17766, which adopted the Final Digital 299 Broadband Fiber Optic Project EA/IS-MND in compliance with CEQA. The approved environmental document analyzed installation of approximately 300 miles of fiber optic cable to provide internet to unserved and underserved communities in the counties of Humboldt, Trinity, and Shasta. The project generally follows California State Route 299, with segments diverging from the highway to follow city and county roads. The project is split into two phases: phase one would include installation of underground fiber optic cables along existing roads and rights-of-way (ROWs), and up to five prefabricated in-line amplifier buildings to support signal regeneration, distribution, and interconnection. Phase two would include aerial spurs to connect to nearby communities and direct connection to public buildings such as schools, and hospitals, and connections to customers in the Lewiston area (referred to as the “last mile”).

The EA/IS-MND describes the project’s alignment across Humboldt, Trinity, and Shasta Counties. At the northwestern end of the alignment, the EA/IS-MND describes the primary route following local roads in Arcata and along the Hammond Trail. Instead, Vero proposes to reroute the alignment to the east, reducing the total mileage of the fiber optic conduit by about two miles. Vero submitted documentation to the CPUC in November 2023 describing a modification to the project that would involve altering the alignment of the project through McKinleyville, California. This Addendum has been prepared to evaluate the potential environmental impacts of the Proposed Modification. As required by the Final EA/IS-MND each federal agency issued a NEPA decision which evaluated the portion of the project which crossed their jurisdiction. As the Proposed Modification does not cross any federal jurisdiction, the CPUC has sole authority to adopt this Addendum in compliance with CEQA.

DISCUSSION

Vero proposes to reroute a short segment of the alignment to the east for the purpose of better serving the community of McKinleyville, California which also reduces the total mileage of fiber optic conduit by about two miles. The Proposed Modification affects a relatively minor portion of the approved Digital 299 Project. The Proposed Modification affects approximately seven miles of underground conduit on the northwestern end of the approximately 300-mile-long project that runs from Redding to Arcata generally following State Route 299. The Proposed Modification is a minor alteration of the alignment of the project through McKinleyville. Specifically, the Proposed Modification changes the alignment to head west along State Route 200 from the intersection with State Route 299 to the intersection with Central Avenue, where the alignment will then head north to Airport Road. The alignment will then head along US Route 101 following an on-ramp at Clam Beach Drive, where the proposed alignment will follow the previously studied alignment, and other local roads north to the City of Trinidad, CA.

This change in the alignment will help the State of California meet their Middle-Mile Broadband Initiative goals by 2026 by providing future opportunities for last-mile tie-ins in downtown McKinleyville. Additionally, the alignment change will reduce the potential impacts to resources by staying in more developed areas along the public right-of-way. Examples of reduced impacts include reduction of impacts to public recreation by avoiding construction on the Hammond Trail and impacts to aquatic resources by eliminating one crossing of the Mad River.

The purpose of the Addendum is to evaluate each CEQA resource category to identify any changes or new information of substantial importance that may result in a changed environmental result—a new significant impact or substantial increase in the severity of a previously identified significant impact.

CEQA guidelines Section 15164 provides that:

an addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred.

As described in the Addendum, the Proposed Modification is not a substantial change to the project affecting only seven miles of the approximately 300-mile-long project and would not result in any new significant environmental impacts or any substantial increases in the severity of previously identified impacts. The Proposed Modification

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does not trigger the need to prepare a subsequent EIR or negative declaration pursuant to CEQA Guidelines Section 15162. Therefore, the CPUC has determined that a subsequent negative declaration is not required and an Addendum to the EA/IS-MND is the appropriate level of CEQA review to address the Proposed Modification. The analysis in the Addendum provides the basis for this conclusion.

Finally, as the Proposed Modification does not cross any federal jurisdictional lands, the CPUC has sole authority to adopt this addendum in compliance with CEQA.

COMMENTS

Public Utilities Code section 311(g)(1) provides that this resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission. Section 311(g)(2) provides that this 30-day period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments, and will be placed on the Commission's agenda no earlier than 30 days from today.

No Comments were received during the Draft Resolution E-5340 comment period.

FINDINGS

1. On December 15, 2022, the CPUC approved Resolution T-17766 which adopted the Final EA/ISMND (SCH# 2022010017) in compliance with CEQA for the Vero Digital 299 Fiber Optic Broadband Project.
2. In November 2023 Vero submitted documentation to the CPUC describing a modification to the project that would involve altering the alignment through McKinleyville, California.
3. The Proposed Modification involved a minor portion of the D.299 Broadband Project—approximately seven miles of the alignment at the northwest end is proposed to shift east.
4. Environmental analysis of the Proposed Modification was conducted by Energy Division staff with technical support provided by Eocene Environmental Group.
5. Environmental analysis of the Proposed Modification determined that none of the conditions described in CEQA Guideline Section 15162 calling for the preparation of a subsequent EIR or negative declaration had occurred.

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6. An Addendum to the EA/ISMND was determined to be the appropriate level of CEQA review of the Proposed Modification.
7. An Addendum was prepared to provide supporting evidence that the Proposed Modification would not result in any new significant impacts or any substantial increases in the severity of previously identified impacts.
8. The Proposed Modification will help the State of California meet its Middle-Mile Broadband Initiative goals by providing opportunities for last-mile tie-ins in downtown McKinleyville.
9. The Proposed Modification will reduce the potential impacts to resources by staying in more developed areas along public right-of-way.
10. The CPUC has sole authority to adopt this Addendum to the EA/IS-MND in compliance with CEQA

THEREFORE IT IS ORDERED THAT:

1. The Digital 299 Broadband Fiber Optic Project Addendum to the Final Environmental Assessment and Initial Study/Mitigated Negative Declaration SCH#2022010017 is approved.

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 August 1, 2024; the following Commissioners voting favorably thereon:

/s/ RACHEL PETERSON

Rachel Peterson
Executive Director

ALICE REYNOLDS
President

DARCIE HOUCK
JOHN REYNOLDS
KAREN DOUGLAS
MATTHEW BAKER
Commissioners