PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Communications Division Broadband Regional Initiatives Branch **RESOLUTION T-17855 November 7, 2024**

RESOLUTION

RESOLUTION T-17855: Approves three applications for grants for up to \$96,459,407 from the Last Mile Federal Funding Account in Los Angeles County, providing service to 5,303 unserved locations.

I. **SUMMARY**

This Resolution recommends approval of three Last Mile Federal Funding Account grants in the amount of up to \$96,459,407.

This Resolution is part of the eighth package 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 three projects in this Resolution propose to make investments bringing the social, economic, civic, and public safety benefits of high-speed broadband to more than 5,303 unserved locations and an estimated unserved population of 142,417 in Los Angeles County. An estimated total population of 2,345,230 people will benefit from these investments as households and businesses that already have service in these communities will benefit from greater customer choice in the broadband market. The last mile connections funded by these grants build upon the state-owned open-access Middle-Mile Broadband Initiative.

Staff recommends grant awards to three entities (listed in the order in which they appear in this Resolution): Plenary Broadband Infrastructure Crenshaw, LLC (Plenary Broadband Infrastructure Crenshaw), Gateway Cities Council of Governments, and the City of Huntington Park.

Plenary Broadband Infrastructure Crenshaw is a joint business venture of Plenary Americas (a Limited Liability Corporation) and Destination Crenshaw (a communitybased non-profit). The Gateway Cities Council of Governments is a Joint Powers Authority formed by incorporated cities in Los Angeles County, Los Angeles County,

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and the Port of Long Beach. The City of Huntington Park is an incorporated city located in Los Angeles County.

Staff recommends the following three grant applications for Commission approval as 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 Locations	Estimated Unserved Units	Estimated Unserved Population	Estimated Benefitting Population	Awarded Amount
Los Angeles						
Plenary	Destination					
Broadband	Crenshaw	366	845	5,523	79,925	\$25,000,000
Infrastructure	Digital Equity	300	043	3,323	79,923	\$25,000,000
Crenshaw	Zone					
Gateway	Gateway Cities					
Cities Council	Council of					
of	Governments	4,254	43,374	131,640	2,204,326	\$46,100,455
Governments	Last Mile	4,234	43,374	131,040	2,204,320	β40,100,433
	Broadband					
	Project					
City of	Huntington					
Huntington	Park	683	1711	5,254	60,979	\$25,358,952
Park						
Subtotal		5,303	45,930	142,417	2,345,230	\$96,459,407
Total		5,303	45,930	142,417	2,345,230	\$96,459,407

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.

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¹ Statute 2021, Chapters 84 and 112.

On April 21, 2022, the Commission issued Decision (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, implementation of Public Utilities Code section 281(n) allocating funding between "rural counties" and "urban counties," a 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 D. 22-04-055 includes requirements and preference for a number of affordability requirements including:

- Participation in the Affordable Connectivity Program or access to a "broadbased affordability program." Given that the Affordable Connectivity Program has lapsed grantees must participate in a successor program when identified by the Commission.
- A five-year price commitment, and preference for a ten-year commitment.
- Preference for a low-cost plan that is \$40/month or less and provides speeds of at least 50 Megabits per second (Mbps) down and 20 Mbps up.
- Preference for participation in the California and/or federal Lifeline programs (which may include bundled voice and broadband offerings).

Applications that committed to provide voice service and participate in LifeLine, consistent with the requirement to serve customers in the project area at prices not exceeding those in the application for five years after project completion, must provide voice service and participate in LifeLine for five years after project completion. In providing grant funding to projects the Commission is validating the need for and the state's investment in the provision of communications service, including voice and programs supporting affordability like LifeLine, for the life of the infrastructure.

The Federal Funding Account Decision and Appendix specify additional consideration for disadvantaged communities or Environmental and Social Justice communities.² The Commission made available on the Federal Funding Account Public Map,³ the

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² The Commission Environmental and Social Justice Action plan includes definitions and data indicators for disadvantaged or Environmental and Social Justice 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 Commission's Environmental and Social Justice 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/

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 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: 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, cost, applicant capacity, and community need, among other factors. 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.

The specific locations to be provided service for a given project will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations. The Federal Funding Account award will not fund locations supported by a federal broadband program with Capital Project Fund monies.⁷

III. APPLICATION SUMMARIES, DISCUSSION, AND RECOMMENDATIONS

⁴ Registration for the Federal Funding Account Applicant Tool is available at: <u>FFA Applicant Tool Registration</u>

⁵ Disadvantaged or Environmental and Social Justice 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 less than or equal to 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 June 13, 2024), 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."

⁷ Federal broadband programs include the Connect America Fund II, Community Connects Grant Program, Enhanced Alternative Connect America Cost Model, Rural Digital Opportunity Fund, Rural E-Connectivity Program, Tribal Broadband Connectivity Program, and Telephone Loan Program.

Los Angeles Summary

The allocation for projects in Los Angeles County in D. 22-04-005 is \$104,655,891. This Resolution recommends awarding one grant to the City of Huntington Park, one grant to the Gateway Cities Council of Governments, and one grant to Plenary Broadband Infrastructure Crenshaw for projects in Los Angeles County. The recommended grant amount for projects in Los Angeles County is \$96,459,407, which leaves a remainder of \$8,196,484 of the allocation for Los Angeles County.

Los Angeles County Awards

1. Plenary Broadband Infrastructure Crenshaw, Destination Crenshaw Digital Equity Zone

Staff recommends the Commission approve Plenary Broadband Infrastructure Crenshaw's application for a grant of up to \$25,000,000 for the Destination Crenshaw Digital Equity Zone project.

The Destination Crenshaw Digital Equity Zone project proposes to serve an estimated 366 unserved locations based on a March 2024 supplemental application filing. There are approximately 845 unserved units in the project area. An estimated unserved population of 5,523 would be offered service. An estimated total population of 79,925 will benefit from these investments in the Crenshaw District of Los Angeles. The last-mile fiber project will provide up to 10,000 Mbps / 10,000 Mbps service to consumers.

Plenary Broadband Infrastructure Crenshaw is a joint business venture of Plenary Americas and Destination Crenshaw. Destination Crenshaw would own the infrastructure and will enter into an agreement with Plenary Americas, who would design, build, maintain, and operate the infrastructure for 30 years.

Plenary Broadband Infrastructure Crenshaw will deploy approximately 143 miles of last-mile fiber. The network will be 100 percent underground. The project comes out of work by Destination Crenshaw to establish a Digital Equity Zone to identify and serve areas in the Crenshaw community lacking sufficient access to reliable, affordable internet. In partnership with City of Los Angeles and the Bureau of Street Lighting, Destination Crenshaw has developed a plan to establish a Digital Equity Zone that will provide high-speed broadband connections to the Crenshaw District's visitors, businesses, and residents. The plan aims to connect all unserved locations and the Greater Crenshaw neighborhood to a Fiber-to-the Premise network, leveraging existing infrastructure and deploying new assets where needed.

The Los Angeles Bureau of Street Lighting is also currently building and planning for future building of conduit infrastructure throughout the project area, which Plenary and Destination Crenshaw will leverage for a more efficient deployment. The City of Los Angeles will connect the project to the Middle-Mile Broadband Initiative with separate funding.

The Destination Crenshaw Digital Equity Zone project will benefit disadvantaged or Environmental and Social Justice communities; 99.5 percent of the unserved locations are located in disadvantaged communities. The applicant will provide a low-cost plan that meets the requirements of D. 22-04-055, Section 3.

The proposed project will cost an estimated \$70,542,546, of which the Federal Funding Account will fund approximately 35 percent of costs. Plenary Broadband Infrastructure Crenshaw proposes to use other grants and private investment to fund the remaining 65 percent of costs; the Federal Funding Account grant award will serve as evidence of the project's viability to other funders. The Federal Funding Account grant is conditional upon Plenary Broadband Infrastructure Crenshaw securing the remaining \$47.5 million necessary to complete the project and submit to the Commission documents confirming funding agreements within 90 days of the approval of the resolution.

Staff determined that the applicant and the project are financially viable (once the remaining 65 percent of funding is obtained), and the applicant's engineering meets the program standards. The applicant demonstrated the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received five objections and Plenary Broadband Infrastructure Crenshaw responded to the objections. Staff determined that the project will serve unserved locations and that the served locations in the project area will enhance the project's viability. Staff also determined that the project will provide affordable, competitive, open access fiber service to a low-income and disadvantaged area. The Destination Crenshaw Digital Equity Zone project area was not modified in response to objections; the Federal Final Rule⁸ and D.22-04-055⁹ allow projects serving unserved locations to include served locations.

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⁸ 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.

⁹ D.22-04-055, Appendix A, Section 2, p. A-5.

Eight Federal Funding Account Public Map comments were submitted in Los Angeles County; no comments were related to the project area. Destination Crenshaw Digital Equity Zone project area's unserved locations were evaluated in light of the updated Federal Communications Commission and Federal Funding Account unserved data (as of June 30, 2023). In response to objections, the comments, and this data, the number of unserved locations is unchanged at 366, the project area is unchanged, and the total grant amount is unchanged. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

The following submitted letters of support for this application: Karen Bass, Mayor of Los Angeles, Marquece Harris -Dawson, Los Angeles City Council Member, the Los Angeles Metro, the Los Angeles Bureau of Street Lighting, and the California Community Foundation.

The proposed project provides the public safety benefits of reliable broadband infrastructure. This project is not located in a High Fire Threat District. 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) categorial exemption at this time. Plenary Broadband Infrastructure Crenshaw must comply with the CEQA requirements discussed in the appendices. If Plenary Broadband Infrastructure Crenshaw 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.

Plenary Broadband Infrastructure Crenshaw and the Destination Crenshaw Digital Equity Zone project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve Plenary Broadband Infrastructure Crenshaw's application for a grant of up to \$25,000,000 for the Destination Crenshaw Digital Equity Zone project.

2. Gateway Cities Council of Governments, Gateway Cities Council of Governments Last Mile Broadband Project

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¹⁰ See Federal Funding Account Public Map, https://federalfundingaccountmap.vetro.io/ (visited September 6, 2024).

Staff recommends the Commission approve Gateway Cities Council of Governments application for a grant of up to \$46,100,455 for the Gateway Cities Council of Governments Last Mile Broadband Project.

The Gateway Cities Council of Governments Last Mile Broadband Project proposes to serve an estimated 4,254 unserved locations based on a March 2024 supplemental application filing. There are approximately 43,374 unserved units in the project area. An estimated unserved population of 131,640 would be offered service. An estimated total population of 2,204,326 will benefit from these investments in Southeast Los Angeles County. The last-mile fiber project will provide up to 1,000 Mbps/1,000 Mbps service to consumers. Providers on the network will offer service to served locations and providers will fund those service connections.

Gateway Cities Council of Governments will deploy approximately 139 miles of last-mile fiber. The network will be 40 percent underground.

The Gateway Cities Council of Governments Last Mile Broadband Project will benefit disadvantaged or Environmental and Social Justice communities; 83 percent of the unserved locations are located in disadvantaged communities. Gateway Cities Council of Governments has committed itself and its Internet Service Provider partners to provide a low-cost plan that meets the requirements in D. 22-04-055, Section 3, and has committed itself and its Internet Service Provider partners to maintaining their prices for at least ten years.

The proposed project will cost an estimated \$104,460,531, of which the Federal Funding Account will fund approximately 44 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 demonstrated the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received seven objections and Gateway Cities Council of Governments responded to the objections. Staff determined that the project will serve unserved locations and that the served locations in the project area will enhance the project's viability. Staff also determined that the project will provide affordable fiber service to low-income and disadvantaged areas. The project area of Gateway Cities Council of Governments Last Mile Broadband Project was not modified in response to objections;

the Federal Final Rule¹¹ and D.22-04-055¹² allow projects serving unserved locations to include served locations.

Eight Federal Funding Account Public Map comments were submitted in Los Angeles County; no comments were related to the project area.¹³ The Gateway Cities Council of Governments Last Mile Broadband Project area's unserved locations were evaluated in light of the updated 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 4,254, the project area is unchanged, and the total grant amount is unchanged. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

The following submitted letters of support for this application: the City of Compton, the City of Signal Hill, and the California Community Foundation.

The proposed project provides the public safety benefits of reliable broadband infrastructure. This project is not located in a High Fire Threat District. This project contains a substantial middle-mile component that is being assessed by staff and will be detailed prior to final award. All middle-mile infrastructure in the project will be openaccess. 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 CEQA categorial exemption at this time. Gateway Cities Council of Governments must comply with the CEQA requirements discussed in the appendices. If Gateway Cities Council of Governments 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.

Gateway Cities Council of Governments and the Gateway Cities Council of Governments Last Mile Broadband Project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve Gateway Cities Council of Governments' application for a grant of up to

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¹¹ 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.

¹² D.22-04-055, Appendix A, Section 2, p. A-5.

¹³ See Federal Funding Account Public Map, https://federalfundingaccountmap.vetro.io/ (visited July 17, 2024).

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\$46,100,455 for the Gateway Cities Council of Governments Last Mile Broadband Project.

3. The City of Huntington Park, Huntington Park

Staff recommends the Commission approve The City of Huntington Park's application for a grant of up to \$25,358,952 for the Huntington Park project.

The Huntington Park project proposes to serve an estimated 683 unserved locations based on a March 2024 supplemental application filing. There are approximately 1,711 unserved units in the project area. An estimated unserved population of 5,254 would be offered service. An estimated total population of 60,979 will benefit from these investments in the community of Huntington Park. The last-mile fiber project will provide up to 5,000 Mbps/5,000 Mbps service to consumers.

The City of Huntington Park will deploy approximately 42 miles of last-mile fiber and 11 miles of middle mile fiber. The network will be 25 percent underground.

The Huntington Park project will benefit disadvantaged or Environmental and Social Justice communities; 100 percent of the unserved locations are located in disadvantaged communities. The City of Huntington Park will provide a low-cost plan that meets the requirements in D. 22-04-055, Section 3, and has committed to maintaining the price of that plan for at least ten years.

The proposed project will cost an estimated \$25,358,952 of which the Federal Funding Account will fund approximately 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 demonstrated the administrative, technical, and operational capacity to provide broadband service at the scale of this project.

This application received three objections and The City of Huntington Park responded to the objections. Staff determined that the unserved locations in the project area are dispersed geographically, and that funding for fixed infrastructure through served areas is necessary to reach the unserved locations. Providing affordable and competitive service to the locations that the infrastructure passes is also necessary for the financial viability of the project. The project area of the Huntington Park project was not

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modified in response to objections; the Federal Final Rule¹⁴ and D.22-04-055¹⁵ allow projects serving unserved locations to include served locations to make the project viable.

Eight Federal Funding Account Public Map comments were submitted in Los Angeles County; no comments were related to the project area. Huntington Park project area's unserved locations were evaluated in light of the updated 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 683, the project area is unchanged, and the total grant amount is unchanged. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.

The following submitted letters of support for this application: Arturo Flores, Eduardo "Eddie" Martinez, Karina Macias, Graciela Ortiz, and Marilyn Sanabri, The City of Huntington Park City Council Members a, the Latino Equality Alliance, AltaMed, Inner City Visions, the Los Angeles Latino Equity + Diversity Initiative, Human Services Association, Northeast Community Clinic, SELA Collaborative, Latino Heritage, and America's Job Center of California.

The proposed project provides the public safety benefits of reliable broadband infrastructure. This project is not located in a High Fire Threat District. This project will connect to the open-access Middle-Mile Broadband Initiative. The project includes \$25,000 to deploy approximately 11 miles of open-access middle-mile fiber and backhaul fiber, and to connect to the 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 CEQA categorial exemption at this time. The City of Huntington Park must comply with the CEQA requirements discussed in the appendices. If The City of Huntington Park 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.

¹⁴ 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-localfiscal-recovery-funds.

¹⁵ D.22-04-055, Appendix A, Section 2, p. A-5.

¹⁶ See Federal Funding Account Public Map, https://federalfundingaccountmap.vetro.io/ (visited July 17, 2024).

The City of Huntington Park and the Huntington Park project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve The City of Huntington Park's application for a grant of up to \$25,358,952 for the Huntington Park project.

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 ten years in their application commit to serve customers in the project area for ten 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 R. 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 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 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 Affordable Connectivity Program. Should the Affordable Connectivity Program end, the Commission will identify a successor low-income subsidy program in which participants must participate. Awardees must participate in a successor to the Affordable Connectivity Program identified after the grant is awarded.

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. 17

- F. Reporting Requirements: Numerous post-award reports are required. In summary, these include monthly contractor reports (if applicable), quarterly progress reports, and a final completion report.¹⁸
- G. Prevailing Wage: Section 1720 of the California Labor Code requires Federal Funding Account projects be subject to prevailing wage requirements.¹⁹ 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(n)(2), D.22-04-055, and the Appendix. 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 ten 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 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

13

¹⁷ 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.

¹⁸ D. 22-04-055, Appendix A, Section 14.

¹⁹ D.22-054-055, Section 13.2, page 57.

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. Plenary Broadband Infrastructure Crenshaw submitted an application for the Destination Crenshaw Digital Equity Zone project on September 29, 2023.
- 5. The Gateway Cities Council of Governments submitted applications for the Gateway Cities Council of Governments Last Mile Broadband Project on September 29, 2023.
- 6. The City of Huntington Park submitted an application for the Huntington Park project on September 29, 2023.
- 7. Applicants responded to a supplemental data request that was due on March 12, 2024, providing information on project route miles, poles, unserved locations, middle-mile connectivity, and other updated project specific information.
- 8. The Commission has determined that Plenary Broadband Infrastructure Crenshaw's Destination Crenshaw Digital Equity Zone project, The Gateway Cities Council of Governments' Gateway Cities Council of Governments Last Mile Broadband Project, and the City of Huntington Park's Huntington Park project are not categorically exempt from California Environmental Quality Act review at this time.
- 9. Communications Division staff analyzed the applications for compliance with Commission and Federal rules, reviewed local feedback, and conducted fiscal and technical analysis.
- 10. All applications listed above met minimum eligibility requirements provided in Decision 22-04-055.
- 11. 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.
- 12. Draft Resolution T-17855 was emailed to the CASF Distribution List and the R. 20-09-001 Service List on October 4, 2024, in compliance with Public Utilities Code Section 311(g)(1).

THERFORE, IT IS ORDERED that:

- 1. The Commission shall award up to \$25,000,000 in Federal Funding Account funds to Plenary Broadband Infrastructure Crenshaw in order to complete the Destination Crenshaw Digital Equity Zone project, as described in the appendices. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations. This grant is conditional upon Plenary Crenshaw securing funding for the remaining \$47.5 million necessary to complete the project and submitting those funding agreements to the Commission within 90 days of the effective date of this Resolution.
- 2. The Commission shall award up to \$46,100,455 in Federal Funding Account funds to the Gateway Cities Council of Governments in order to complete the Gateway Cities Council of Governments Last Mile Broadband Project, as described in the appendices. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.
- 3. The Commission shall award up to \$25,358,952 in Federal Funding Account funds to the City of Huntington Park in order to complete the Huntington Park project, as described in the appendices. The specific locations to be provided service will be updated and reconciled with the Broadband Serviceable Location Fabric after detailed engineering and project design, and the grant amount may be reduced consistent with a reduction in the number of locations.
- 4. To ensure compliance with all program rules and guidelines, the Commission will not release funds to an applicant, including but not limited to Plenary Broadband Infrastructure Crenshaw, Gateway Cities Council of Governments, and the City of Huntington Park, proposing to enter into agreement(s) with a third party or third parties for the ownership, operation, and/or leasing of the proposed infrastructure or network until the applicant provides the Commission with an advanced copy of the agreement document(s) as well as any signed agreements.
- 5. Applicants that committed to provide voice and/or Lifeline service must provide voice service and participate in LifeLine for five years after project completion in Federal Funding Account project areas.

- 6. For those projects not determined to be categorically exempt, 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. When a successor to the Affordable Connectivity Program is identified by the Commission, all awardees shall participate in that program.
- 9. 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.
- 10. 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.
- 11. 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.
- 12. The effective date of each award 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.

Resolution T-17855	
CD/CJ2	

DRAFT

November 07, 2024

This resolution is effective today.	
I certify that the foregoing resolution was dul conference of the Public Utilities Commission, the following Commission.	, ,
_	Rachel Peterson Executive Director

APPENDIX A

Plenary Broadband Infrastructure Crenshaw Environmental Quality Act Compliance Requirements

The following Plenary Broadband Infrastructure Crenshaw project is subject to California Environmental Quality Act (CEQA) review:

- Destination Crenshaw Digital Equity Zone

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 Plenary Broadband Infrastructure Crenshaw's 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 project, Plenary Broadband Infrastructure Crenshaw 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 § 21000 et seq.).

Plenary Broadband Infrastructure Crenshaw 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.

Plenary Broadband Infrastructure Crenshaw must provide a PEA prior to the first payment. The Commission cannot release funds for the construction phase of this project until the Commission has completed CEQA review.

APPENDIX B

Gateway Cities Council of Governments California Environmental Quality Act Compliance Requirements

The following Gateway Cities Council of Governments projects are subject to California Environmental Quality Act (CEQA) review:

• Gateway Cities Council of Governments Last Mile Broadband Project

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 Gateway Cities Council of Governments' 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 project, Gateway Cities Council of Governments 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 § 21000 et seq.).

Gateway Cities Council of Governments 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.

Gateway Cities Council of Governments must provide a PEA prior to the first payment. The Commission cannot release funds for the construction phase of this project until the Commission has completed CEQA review.

APPENDIX C

The City of Huntington Park California Environmental Quality Act Compliance Requirements

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

• Huntington Park

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 Huntington Park's 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 project, The City of Huntington Park 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 § 21000 et seq.).

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

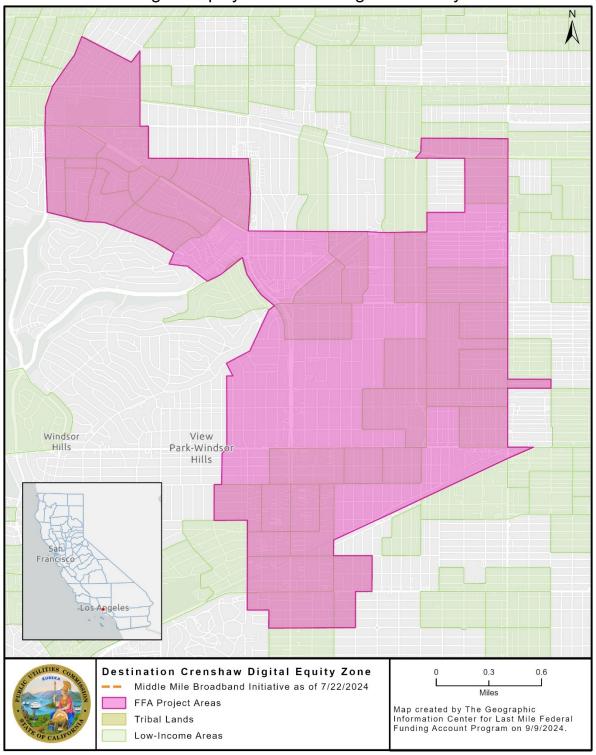
APPENDIX D Destination Crenshaw Digital Equity Zone Key Information

Project Name	Destination Crenshaw Digital Equity Zone
Applicant Name	Plenary Broadband Infrastructure Crenshaw LLC (PBIC LLC)
Community Names	Crenshaw District (Los Angeles)
County	Los Angeles
County Allocation	\$104,655,891
Project Size (in square miles)	7
Maximum Download/Upload speed	10,000 Mbps / 10,000 Mbps
Lowest cost plan	\$40/month for 50/50 Mbps
Low-income plan	\$35/month for 100/100 Mbps
Low-cost plan	\$40/month for 50/50 Mbps
LifeLine Participation	Yes
Percent Disadvantaged Communities	99.5 percent
Percent Low-Income Areas	69 percent
Median Household Income (weighted)	\$53,950
Area Households	28,367
Area Population	79,925
Estimated locations within 1000 feet of the project area (location passings)	19,940
Estimated units within 1000 feet of the project area (unit passings)	41,710
Unserved locations proposed to be served by the project	366
Unserved locations in the project area	410
Unserved units in the project area	845
Estimated unserved population in the project area	5,523
Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	225

Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	660
Community Anchor Institutions benefitting from the project	178
Public safety locations benefitting from the project	24
Does the project connect to public open access middle mile?	Yes
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	0 miles
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$0
Grant costs for last-mile delivery	\$25,000,000
Deployment Schedule	24 Months
Total Project Cost	\$70,542,546
Amount of FFA grant funds requested	\$25,000,000
Applicant funded	\$45,542,546
Grant (excluding middle mile) per unserved unit in the project area	\$29,586
Grant (excluding middle mile) per unit passing	\$599

Map of Destination Crenshaw Digital Equity Zone

Plenary Broadband Infrastructure Crenshaw- Destination Crenshaw Digital Equity Zone- Los Angeles County

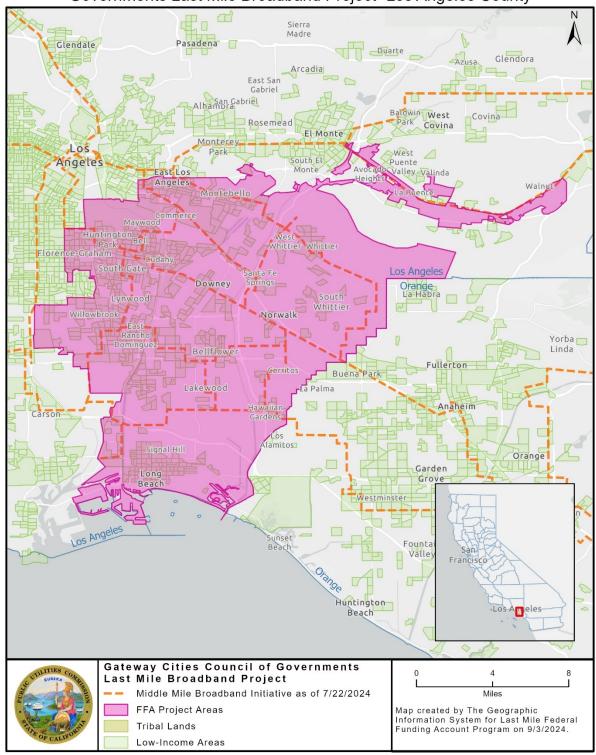


APPENDIX E Gateway Cities Council of Governments Last Mile Broadband Project Key Information

Project Name	Gateway Cities Council of Governments Last Mile Broadband Project
Applicant Name	Gateway Cities Council of Governments
Community Names	Southeast Los Angeles County
County	Los Angeles
County Allocation	\$104,655,8911
Project Size (in square miles)	365
Maximum Download/Upload speed	1000 Mbps / 1000 Mbps
Lowest cost plan	\$39.99/month for 50/20 Mbps
Low-income plan	\$29.95/month for 1,000/1,000 Mbps
Low-cost plan	\$39.99/month for 50/20 Mbps
LifeLine Participation	Yes
Percent Disadvantaged Communities	83 percent
Percent Low-Income Areas	54 percent
Median Household Income (weighted)	\$59,125
Area Households	660,042
Area Population	2,204,326
Estimated locations within 1000 feet of the project area (location passings)	441,722
Estimated units within 1000 feet of the project area (unit passings)	749,991
Unserved locations proposed to be served by the project	4,254
Unserved locations in the project area	21,711
Unserved units in the project area	43,374
Estimated unserved population in the project area	131,640
Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	8,760

Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	30,423
Community Anchor Institutions benefitting from the project	3,456
Public safety locations benefitting from the project	569
Does the project connect to public open access middle mile?	Yes
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	0 miles
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$0
Grant costs for last-mile delivery	\$46,100,455
Deployment Schedule	24 Months
Total Project Cost	\$104,460,531
Amount of FFA grant funds requested	\$46,100,455
Applicant funded	\$58,360,077
Grant (excluding middle mile) per unserved unit in the project area	\$1,063
Grant (excluding middle mile) per unit passing	\$61

Map of Gateway Cities Council of Governments Last Mile Broadband Project
Gateway Cities Council of Governments- Gateway Cities Council of
Governments Last Mile Broadband Project- Los Angeles County



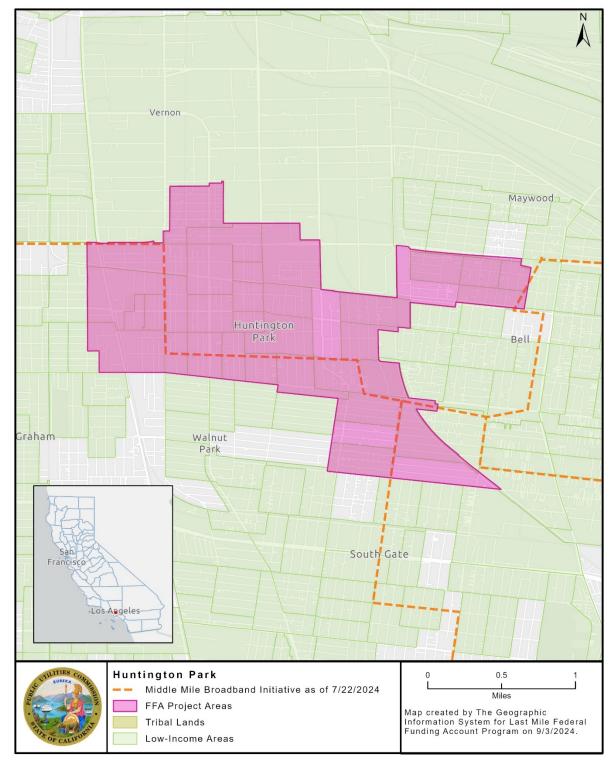
APPENDIX F Huntington Park Key Information

Project Name	Huntington Park
Applicant Name	The City of Huntington Park
Community Names	Huntington Park
County	Los Angeles
County Allocation	\$104,655,891
Project Size (in square miles)	4
Maximum Download/Upload speed	5000 Mbps/ 5000 Mbps
Lowest cost plan	\$40/month for 50/20 Mbps
Low-income plan	\$40/month for 50/20 Mbps
Low-cost plan	\$40/month for 50/20 Mbps
LifeLine Participation	Yes
Percent Disadvantaged Communities	100 percent
Percent Low-Income Areas	90 percent
Median Household Income (weighted)	\$48,523
Area Households	16,814
Area Population	60,979
Estimated locations within 1000 feet of the project area (location passings)	11,348
Estimated units within 1000 feet of the project area (unit passings)	25,480
Unserved locations proposed to be served by the project	683
Unserved locations in the project area	693
Unserved units in the project area	1,711
Estimated unserved population in the project area	5,254
Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	404

Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	1,422
Community Anchor Institutions benefitting from the project	88
Public safety locations benefitting from the project	14
Does the project connect to public open access middle mile?	Yes
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	10.9 miles
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$25,000
Grant costs for last-mile delivery	\$25,333,952
Deployment Schedule	20 Months
Total Project Cost	\$25,358,952
Amount of FFA grant funds requested	\$25,358,952
Applicant funded	\$0
Grant (excluding middle mile) per unserved unit in the project area	\$36,571
Grant (excluding middle mile) per unit passing	\$995

Map of Huntington Park project

The City of Huntington Park- Huntington Park- Los Angeles County



APPENDIX G Plenary Broadband Infrastructure Crenshaw Service Plans

As a condition of the grant awards in this Resolution, Plenary Broadband Infrastructure Crenshaw is obligated to offer service to customers in the project areas of the listed projects at no less than the speeds in the Table below, no more than 100 milliseconds of latency, and no more than the prices²⁰ in the Table below, including installation, for at least five years following project completion.

Destination Crenshaw Digital Equity Zone

Plan	Speed	Price in 2024 Dollars	Notes
Residential	100/100	\$35/month	Customers must provide
Low-Income	Mbps		documentation showing eligibility
			for a qualifying program. ²¹
Residential	50/50	\$40/month	-
Low-Cost	Mbps		
Residential	100/100	\$55/month	-
100 Mbps	Mbps		
Residential	500/500	\$65/month	-
500 Mbps	Mbps		
Residential	1000/1000	\$75/month	-
1000 Mbps	Mbps		
Business 300	300/300	\$75/month	-
Mbps	Mbps		
Business 500	500/500	\$120/month	-
Mbps	Mbps		

As a condition of the grant awards in this Resolution, Plenary Broadband Infrastructure Crenshaw has committed to provide LifeLine-discounted voice service in the project area listed.

²⁰ Prices may increase at no more than the rate of inflation, defined by the Consumer Price Index.

²¹ Qualifying programs/income thresholds include: Medicaid; Public Housing Assistance; Unemployment; Supplemental Nutrition Assistance Program; Temporary Assistance for Needy Families; Supplemental Security Income; National School Lunch Program or Head Start; Low Income Home Energy Assistance Program; the Special Supplemental Nutrition Program for Women, Infants and Children; Federal Pell Grants; Veterans Administration Pensions; Tribal Assistance, including Tribal Temporary Assistance to Needy Families and Food Distribution Program on Indian Reservations.

APPENDIX H Gateway Cities Council of Governments Service Plans

As a condition of the grant awards in this Resolution, Gateway Cities Council of Governments' Internet Service Provider partners, Onward and Sonic, are obligated to offer service to customers in the project areas of the listed projects at no less than the speeds in the Table below, no more than 100 milliseconds of latency, and no more than the prices²² in the Table below, including installation. Onward has committed to maintain its pricing for at least ten years, and Sonic has committed to maintain its pricing for at least five years.

Gateway Cities Council of Governments Last Mile Broadband Project

Onward Plans				
Plan	Speed	Price in 2024 Dollars	Notes	
Low-Income	1000/1000	\$35/month	Customers must provide	
Plan	Mbps		documentation showing eligibility	
			for a qualifying program. ²³	
Low-Cost	50/20	\$39.99/month	-	
Plan	Mbps			
Standard	1000/1000	\$59.95/month	-	
Service	Mbps			

Sonic Plans				
Low-Income	10/10	\$29.99/month	Customers must provide	
Plan	Gbps		documentation showing eligibility	
	_		for a qualifying program. ²⁴	
Low-Cost	50/20	\$39.99/month	-	
Plan	Mbps			
Standard	10/10	\$49.99/month		
Service	Gbps			

As a condition of the grant awards in this Resolution, Plenary Broadband Infrastructure Crenshaw and its partners have committed to provide LifeLine-discounted voice service in the project area listed.

²⁴ *Ibid*.

²² Prices may increase at no more than the rate of inflation, defined by the Consumer Price Index.

²³ Qualifying programs/income thresholds include: Medicaid; Public Housing Assistance; Unemployment; Supplemental Nutrition Assistance Program; Temporary Assistance for Needy Families; Supplemental Security Income; National School Lunch Program or Head Start; Low Income Home Energy Assistance Program; the Special Supplemental Nutrition Program for Women, Infants and Children; Federal Pell Grants; Veterans Administration Pensions; Tribal Assistance, including Tribal Temporary Assistance to Needy Families and Food Distribution Program on Indian Reservations.

APPENDIX I The City of Huntington Park Service Plans

As a condition of the grant awards in this Resolution, the City of Huntington Park is obligated to offer service to customers in the project areas of the listed projects at no less than the speeds in the Table below, no more than 100 milliseconds of latency, and no more than the prices²⁵ in the Table below, including installation, for at least ten years following project completion.

• Huntington Park

Plan	Speed	Price in 2024 Dollars	Notes
Bronze	50/20	\$40/month	-
	Mbps		
Gold	100/100	\$59.99/month	-
	Mbps		
Platinum	1 Gbps /	\$89.99/month	-
	100 Mbps		

As a condition of the grant awards in this Resolution, The City of Huntington Park has committed to provide LifeLine-discounted voice service in the project area listed.

²⁵ Prices may increase at no more than the rate of inflation, defined by the Consumer Price Index.

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:			
Project Name:			
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 and those in the Federal Funding Account, Last Mile program rules. Awards are contingent on available state budget appropriations funding.			
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 Representative's Organization:			
Business Address:			
Street address, suite/apt. number			
City, state, and ZIP Code			
Telephone Number:			
Email Address:			