#### PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Communications Division Broadband Regional Initiatives Branch RESOLUTION T-17872 January 30, 2025

#### <u>RESOLUTION</u>

RESOLUTION T-17872: Awards three applications for grants for up to \$16,599,867 from the Last Mile Federal Funding Account to serve 2,751 unserved locations in Fresno County.

#### I. SUMMARY

This Resolution recommends approval of three Last Mile Federal Funding Account grants in the amount of up to \$16,599,867.

This Resolution is part of the twelfth 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 2,751 unserved locations, an estimated 3,320 unserved units, and an estimated unserved population of 10,945 in Fresno County. An estimated total population of 13,028 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.

This Resolution recommends grant awards to three entities: Cold Springs Rancheria of Mono Indians of California, Comcast, and AT&T.

Cold Springs Rancheria of Mono Indians of California is a federally recognized Tribe with a reservation in Fresno County. Comcast is an incumbent telecommunications company providing service throughout California. AT&T is an incumbent telecommunications company with service throughout California.

551129830 1

This Resolution 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.

**Estimated Estimated Estimated Estimated** Awarded **Applicant Project Name** Unserved Unserved Unserved Benefitting **Amount Population** Locations Units **Population** Fresno **Cold Springs** CSR Tribal 94 97 42 106 \$1,478,762 Rancheria of Digital Village Mono Indians of California Fresno 162 138 596 \$1,171,105 Comcast 504 Riverdale<sup>1</sup> AT&T Fresno - 1A 2,495 3,140 10,344 12,326 \$13,950,000 **Total** 3,320 10,945 13,028 \$16,599,867

**Table 1: Summary of Grant Funding** 

#### 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 156<sup>2</sup> 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.

2,751

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

<sup>&</sup>lt;sup>1</sup> This project was submitted with the project name "Coalinga Station A" and updated to "Riverdale" when the project area was reduced.

<sup>&</sup>lt;sup>2</sup> Statute 2021, Chapters 84 and 112.

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 down and 20 megabits per second up (50/20 Mbps).
- 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.<sup>3</sup> The Commission made available on the Federal Funding Account Public Map,<sup>4</sup> the Applicant Tool,<sup>5</sup> and data downloads locations and census blocks meeting these definitions.<sup>6</sup> A grant application window was opened on June 30, 2023, and closed at

<sup>&</sup>lt;sup>3</sup> 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: <a href="https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj-esj-action-plan-v2jw.pdf">https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj-esj-action-plan-v2jw.pdf</a>.

<sup>&</sup>lt;sup>4</sup> The Federal Funding Account Public Map is available at: <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a>.

<sup>&</sup>lt;sup>5</sup> Registration for the Federal Funding Account Applicant Tool is available at: <u>FFA Applicant Tool</u> Registration.

<sup>&</sup>lt;sup>6</sup> 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

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.<sup>7</sup>

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.<sup>8</sup>

## III. APPLICATION SUMMARIES, DISCUSSION, AND RECOMMENDATIONS

#### Fresno Summary

The allocation for projects in Fresno County in D. 22-04-005 is \$61,159,782. This Resolution recommends awarding one grant to Cold Springs Rancheria of Mono Indians of California, one grant to Comcast, and one grant to AT&T for projects in

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), <a href="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</a>

california/last-mile-federal-funding-account/ffa-public-map and the Federal Funding Account Application Resources Page (visited June 13, 2024), <a href="https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/last-mile-federal-funding-account/ffa-application-resources-page">https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/last-mile-federal-funding-account/ffa-application-resources-page</a>.

<sup>&</sup>lt;sup>7</sup> 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."

<sup>&</sup>lt;sup>8</sup> 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.

Fresno County. The recommended grant amount for projects in Fresno County in this Resolution is \$16,599,867. A further \$47,634 has been recommended for locations in Fresno County in Resolution T-17867,9 which leaves a remainder of \$44,512,281 of the Fresno County allocation.

#### Fresno County Awards

1. Cold Springs Rancheria of Mono Indians of California, CSR Tribal Digital Village

Staff recommends the Commission approve Cold Springs Rancheria of Mono Indians of California's application for a grant of up to \$1,478,762 for the CSR Tribal Digital Village project.

The CSR Tribal Digital Village project proposes to serve an estimated 50 unserved locations based on a March 2024 supplemental application filing. There are approximately 94 unserved units in the project area. An estimated unserved population of 94 would be offered service. An estimated total population of 207 will benefit from these investments in the community of Cold Springs Rancheria. The last-mile fiber project will provide up to 1,000/1,000 Mbps service to consumers.

Cold Springs Rancheria of Mono Indians of California will deploy approximately two miles of last fiber. The network will be 100 percent underground.

Cold Springs Rancheria of Mono Indians of California is the applicant and awardee. Cold Springs Rancheria of Mono Indians of California will retain ownership and anticipates entering into a partnership with Ponderosa Telephone Company to build the network infrastructure and operate it for a limited period of time, during which they will train Tribal staff and leadership to take over operations. Ponderosa Telephone Company will continue to provide middle-mile service to the Tribe after the Tribe assumes responsibility for the last-mile network. This recommended award is conditioned on Cold Springs Rancheria of Mono Indians of California providing a copy of its agreements with third parties related to this project to the Commission, including Ponderosa Telephone Company, and only entering into agreements related to this project that are consistent with program requirements.

The CSR Tribal Digital Village project will benefit disadvantaged or Environmental and Social Justice communities; 100 percent of the unserved locations are low-income. Cold Springs Rancheria of Mono Indians of California will provide a low-cost plan that meets

-

<sup>&</sup>lt;sup>9</sup> Resolution T-17867 recommends the Comcast Merced Tri City project for a grant of up to \$10,144,817 in Fresno and Merced counties. Of the \$10,144,817 recomended, \$47,634 from the Fresno County allocation and \$10,097,183 from the Merced County allocation.

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 \$1,478,762, 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 one objection that was subsequently withdrawn.

Two Federal Funding Account Public Map comments were submitted in Fresno County. 10 The comments were outside the project area. The CSR Tribal Digital Village 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 comments and this data, the number of unserved locations is unchanged at 94, 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 a letter of support for this application: The Tribal Council of the Cold Springs Rancheria of Mono Indians of California.

The proposed project provides the public safety benefits of reliable broadband infrastructure and will benefit households located in High Fire Threat District 2. This project will use Ponderosa Telephone Company's middle-mile infrastructure upon completion. The project may connect to the state-owned Middle-Mile Broadband Initiative in the future, and may connect to the Middle-Mile Broadband Initiative via Ponderosa Telephone Company.

Cold Springs Rancheria of Mono Indians of California's application 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 Cold Springs Rancheria of Mono Indians of California must provide voice service and participate in LifeLine for five years after project completion.

-

<sup>&</sup>lt;sup>10</sup> See Federal Funding Account Public Map, <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a> (visited November 25, 2024).

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. Cold Springs Rancheria of Mono Indians of California must comply with the CEQA requirements discussed in the appendices. If Cold Springs Rancheria of Mono Indians of California 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.

Cold Springs Rancheria of Mono Indians of California and the CSR Tribal Digital Village project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve the application of Cold Springs Rancheria of Mono Indians of California for a grant of up to \$1,478,762 for the CSR Tribal Digital Village project.

## 2. Comcast, Fresno Riverdale

Staff recommends the Commission approve Comcast's application for a grant of up to \$1,171,105 for the Fresno Riverdale project.

The Fresno Riverdale project proposes to serve an estimated 162 unserved locations based on a March 2024 supplemental application filing. There are approximately 138 unserved units in the project area. An estimated unserved population of 504 would be offered service. An estimated total population of 596 will benefit from these investments in the community of Riverdale. The last-mile fiber project will provide up to 1,250/1,250 Mbps service to consumers.

Comcast will deploy approximately 58 miles of last-mile fiber. The network will be 53 percent underground.

The Fresno Riverdale project will benefit Environmental and Social Justice communities; 100 percent of the unserved locations are in Disadvantaged Communities. Comcast 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 \$1,171,105, 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 Comcast responded to the objections. All three objections claimed to provide service to locations in the project area. The locations in the first objection were determined to not be reliably served as defined in D.22-04-055. The second and third objections were determined to have identified that approximately 90 percent of the locations in the original application were served. The project area of Fresno Riverdale was reduced to remove served areas, and the grant amount has been reduced accordingly.

Two Federal Funding Account Public Map comments were submitted in Fresno County. The comments were outside the project area. The Fresno Riverdale 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 reduced from 1,582 to 162, the project area was reduced to the Riverdale community, and the total grant amount was reduced from \$11,903,361 to \$1,171,105. 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 County of Fresno; Office of Community & Economic Development and Connect Initiative, Fresno State Initiative; San Joaquin Valley Regional Broadband Consortium; ChicanoLatino Youth Leadership Project, Inc.; San Joaquin Valley Rural Development Center; Central Valley Business Federation; Equity California; Fresno County Economic Development Corporation; California Partnership for the San Joaquin Valley; and Central Valley Women's Entrepreneur Center.

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 Comcast's middle-mile infrastructure.

Based on the information that Comcast provided, the Commission's Energy Division has confirmed that the project meets the criteria for the California Environmental Quality Act (CEQA) categorical exemptions under 14 California Code of Regulation (C.C.R.) Section 15301 (Existing Facilities), 14 C.C.R. Section 15302 (Replacement or Reconstruction), 14 C.C.R. Section 15303 (New Construction or Conversion of Small Structures), and 14 C.C.R. Section 15304 (Minor Alterations to Land). Thus, the Fresno Riverdale project is categorically exempt from CEQA review and the Commission may

<sup>&</sup>lt;sup>11</sup> See Federal Funding Account Public Map, <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a> (visited November 25, 2024).

authorize funds for construction activities.

Comcast and the Fresno Riverdale project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve Comcast's application for a grant of up to \$1,171,105 for the Fresno Riverdale project.

#### 3. AT&T, Fresno - 1A

Staff recommends the Commission approve AT&T's application for a grant of up to \$13,950,000 for the Fresno – 1A project.

The Fresno – 1A project proposes to serve an estimated 2,495 unserved locations based on a March 2024 supplemental application filing. There are approximately 3,140 unserved units in the project area. An estimated unserved population of 10,344 would be offered service. An estimated total population of 12,326 will benefit from these investments in the communities of Fresno County. The last-mile fiber project will provide up to 5,000/5,000 Mbps service to consumers.

AT&T will deploy approximately 174 miles of last-mile fiber and two miles of middle mile fiber. The network will be 39 percent underground and 61 percent aerial.

The Fresno – 1A project will benefit Environmental and Social Justice communities; 98 percent of the unserved locations are located in Disadvantaged Communities. AT&T will provide a low-cost plan that meets the requirements in D. 22-04-055, Section 3.

The proposed project will cost an estimated \$23,266,695, of which the Federal Funding Account will fund approximately 60 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 five objections. Three objections claimed that locations in the project area were already served, and two objections criticized priority areas and the non-contiguous nature of AT&T's application. The locations in the first and second objections were determined to not be reliably served as defined in D.22-04-055. The third objection was determined to contain 57 served locations in the project area; these locations were removed from the project area and the grant amount has been reduced accordingly. The fourth objection referred to priority areas that have already been removed from the program. With respect to the fifth objection, the non-contiguous nature of the application was not determined to be an error of fact, or policy, or

statutory requirement. The application seeks only funding for unserved locations and 98 percent of the unserved locations in the project are in Disadvantaged Communities.

Two Federal Funding Account Public Map comments were submitted in Fresno. <sup>12</sup> The comments were outside the project area. The Fresno – 1A 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 was changed to 2,495, the project area was revised to exclude served locations, and the total grant amount was reduced. 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 County of Fresno Internal Services Department.

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 AT&T's middle mile network.

AT&T's application 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 AT&T must provide voice service and participate in LifeLine for five years after project completion.

Separate and outside the Federal Funding Account rules and requirements, AT&T is already required to offer California LifeLine and Federal Lifeline and is already offering such services as a Carrier of Last Resort and an Eligible Telecommunications Carrier. This Federal Funding Account grant award and requirements do not change those existing obligations. Since AT&T is already offering such services, when it comes time to offering FFA service, AT&T should offer Lifeline service consistent with the separate or outside requirements of its Lifeline obligations to avoid customer confusion. Nothing in this recommended Federal Funding Account award changes AT&T's current California LifeLine or Federal Lifeline obligations. To the extent AT&T's existing LifeLine or Federal Lifeline obligations may change, AT&T can request to update its Federal Funding Account awards to reflect the updated change to its Lifeline offerings and specify the Lifeline offerings customers will be receiving.

<sup>12</sup> See Federal Funding Account Public Map, <a href="https://federalfundingaccountmap.vetro.io/">https://federalfundingaccountmap.vetro.io/</a> (visited November 25, 2024).

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. AT&T must comply with the CEQA requirements discussed in the appendices. If AT&T provides additional documentation sufficient to justify a staff determination of a CEQA exemption, then the project can be exempted by letter from the Communications Division Director or the director's delegate or designee.

AT&T and the Fresno – 1A project comply with all requirements for approval in D. 22-04-055. The Communications Division recommends that the Commission approve AT&T's application for a grant of up to \$13,950,000 for the Fresno – 1A project.

#### Comments

In compliance with Public Utilities Code Section 311(g)(1), a Notice of Availability of this draft resolution was e-mailed on December 24, 2024, informing all parties on the CASF Distribution List and the R. 20-09-001 Service List of the availability of the draft of this Resolution, and of the opportunity to comment, at the Commission's website at <a href="http://www.cpuc.ca.gov/">http://www.cpuc.ca.gov/</a>.

## 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. This timeline updates and supersedes the timeline in D.22-04-055 Appendix A, Section 8 on reimbursable expenses.

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 100/100 Mbps, with no 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.<sup>13</sup>
- 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.<sup>14</sup>
- G. Prevailing Wage: Section 1720 of the California Labor Code requires Federal Funding Account projects be subject to prevailing wage requirements.<sup>15</sup> 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

<sup>&</sup>lt;sup>13</sup> Treasury, Compliance and Reporting Guidance State and Local Fiscal Recovery Funds (November 15, 2021 Version 2.1), available at <a href="https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf">https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf</a>.

<sup>&</sup>lt;sup>14</sup> D. 22-04-055, Appendix A, Section 14.

<sup>&</sup>lt;sup>15</sup> D.22-054-055, Section 13.2, page 57.

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 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. Cold Springs Rancheria of Mono Indians of California submitted an application for the CSR Tribal Digital Village project on September 29, 2023.
- 5. Comcast submitted an application for the Fresno Riverdale project on September 29, 2023.
- 6. AT&T submitted an application for the Fresno 1A 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 Cold Springs Rancheria of Mono Indians of California's CSR Tribal Digital Village project and AT&T's Fresno 1A project are not categorically exempt from California Environmental Quality Act review at this time.
- 9. Based on the information provided to the Energy Division, Comcast's Fresno Riverdale project is categorically exempt from California Environmental Quality Act review under 14 C.C.R. § 15301 (Existing Facilities),14 C.C.R. § 15302 (Replacement

- or Reconstruction), 14 C.C.R. § 15303 (New Construction or Conversion of Small Structures), and 14 C.C.R. § 15304 (Minor Alteration to Land).
- 10. Communications Division staff analyzed the applications for compliance with Commission and Federal rules, reviewed local feedback, and conducted fiscal and technical analysis.
- 11. All applications listed above met minimum eligibility requirements provided in Decision 22-04-055.
- 12. 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.
- 13. Draft Resolution T-17872 was emailed to the CASF Distribution List and the R. 20-09-001 Service List on December 24, 2024, in compliance with Public Utilities Code Section 311(g)(1).

#### THERFORE, IT IS ORDERED that:

- 1. The Commission shall award up to \$1,478,762 in Federal Funding Account funds to Cold Springs Rancheria of Mono Indians of California in order to complete the CSR Tribal Digital Village 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.
- 2. The Commission shall award up to \$1,171,105 in Federal Funding Account funds to Comcast in order to complete the Fresno Riverdale 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 \$13,950,000 in Federal Funding Account funds to AT&T in order to complete the Fresno 1A 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 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. Upon approval of the resolution, the effective date of each award and encumbrance of funds is the date of approved resolution. Awardees seeking to modify their effective date must submit a letter to the Communications Division Director and provide justification for the request. Modifications to the effective date may be approved by letter from the Communications Division Director or the director's delegate or designee. All awards are contingent on available state budget appropriations funding.

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**

# Cold Springs Rancheria of Mono Indians of California California Environmental Quality Act Compliance Requirements

The following Cold Springs Rancheria of Mono Indians of California project is subject to California Environmental Quality Act (CEQA) review:

• CSR Tribal Digital Village

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 Cold Springs Rancheria of Mono Indians of California 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, Cold Springs Rancheria of Mono Indians of California 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.).

Cold Springs Rancheria of Mono Indians of California 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.

Cold Springs Rancheria of Mono Indians of California 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

## Comcast California Environmental Quality Act Compliance Requirements

The following Comcast project is categorically exempt from California Environmental Quality Act (CEQA) review:

#### • Fresno Riverdale

Comcast provided the Commission with the Fresno Riverdale project plans to install fiber, supporting facilities within existing public rights-of-way and primarily on existing poles, and will install new segments, as required. Best Management Practices will be implemented during construction. The project is located in Fresno County in the unincorporated communities of Lanare and Riverdale. The project alignment is located along West Kruger Avenue, South Valentine Avenue, Malsbary Street, Sherrill Street, Dolan Avenue, Marty Road, South Bryan Avenue, South Chateau Fresno Avenue, South Garfield Avenue, South Grantland, and West Whitney Avenue. The project infrastructure is approximately 22,722 feet of aerial fiber and approximately 17,142 feet of new underground fiber. New underground fiber will be installed in new conduit.

Based on the information that the Comcast provided, the Commission's Energy Division has confirmed that the project meets the criteria for the CEQA categorical exemptions under 14 California Code of Regulation (C.C.R.) § 15301 (Existing Facilities), Class 1 - Existing Facilities, involving the operation, repair, maintenance, permitting, leasing, licensing, and minor alteration of existing public or private structures, as the project will facilitate the use of existing city facilities with minor alterations and ongoing maintenance and repair of its equipment; 14 C.C.R. § 15302 (Replacement or Reconstruction), here the Class 2 actions consists of (b) Replacement of a commercial structure with a new structure of substantially the same size, purpose, and capacity. (c) Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity, (d) Conversion of overhead electric utility distribution system facilities to underground including connection to existing overhead electric utility distribution lines where the surface is restored to the condition existing prior to the undergrounding; and 14 C.C.R. § 15303 (New Construction or Conversion of Small Structures), Class 3, New Construction of Small Structures, involving construction and installation of limited numbers of new structures for the above ground cabinets; 14 C.C.R. § 15304, Class 4, Minor Alterations to Land, involving minor trenching and backfilling where the service is restored for the underground portion of the fiber optic network occurring underground within the street right-of-way.

Thus, the Fresno Riverdale project is categorically exempt from CEQA review and the Commission may authorize funds for construction activities.

#### APPENDIX C

## AT&T California Environmental Quality Act Compliance Requirements

The following AT&T project is subject to California Environmental Quality Act (CEQA) review:

• Fresno - 1A

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 AT&T 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, AT&T 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.).

AT&T 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.

AT&T 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.

## CSR Tribal Digital Village Key Information

Project Name	CSR Tribal Digital Village
Applicant Name	Cold Springs Rancheria of Mono Indians of California
Community Names	Cold Springs Rancheria
County	Fresno
County Allocation	\$61,159,782
Project Size (in square miles)	0.4
Maximum Download/Upload speed	10,000/10,000 Mbps
Lowest cost plan (non-income qualified)	\$40 for 50/20 Mbps
Low-income plan	None
Low-cost plan	\$40 for 50/20 Mbps minimum
LifeLine Participation	Yes
Percent Disadvantaged Communities	46 percent
Percent Low-Income Areas	100 percent
Median Household Income (weighted)	\$61,731
Area Households	44
Area Population	106
Estimated locations within 1000 feet of the project area (location passings)	55
Estimated units within 1000 feet of the project area (unit passings)	60
Unserved locations proposed to be served by the project	50
Unserved locations in the project area	41
Unserved units in the project area	42
Estimated unserved population in the project area	97
Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	1
Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	2

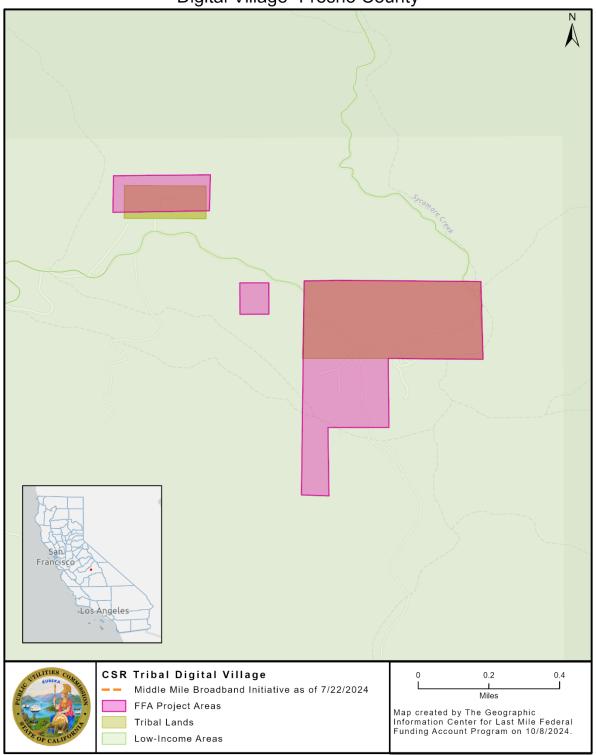
## **Resolution T-17872**

CD/CJ2

Community Anchor Institutions benefitting from the project	0
Public safety locations benefitting from the project	0
Does the project connect to public open access middle mile?	No
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	\$1,478,762
Deployment Schedule	12 Months
Total Project Cost	\$1,478,762
Amount of FFA grant funds requested	\$1,478,762
Applicant funded	\$0
Grant (excluding middle mile) per unserved unit in the project area	\$35,209
Grant (excluding middle mile) per unit passing	\$24,646

## Map of CSR Tribal Digital Village

Cold Springs Rancheria of Mono Indians of California- CSR Tribal Digital Village- Fresno County



## APPENDIX D Fresno Riverdale Key Information

Project Name	Fresno Riverdale
Applicant Name	Comcast
Community Names	Riverdale
·	Fresno
County	\$61,159,782
County Allocation	1.4
Project Size (in square miles)	1,250/1,250 Mbps
Maximum Download/Upload speed	
Lowest cost plan (non-income qualified)	\$40 for 100/100 Mbps
Low-income plan	\$9.95 for 50/10 Mbps, \$29.95 for 100/20 Mbps
Low-cost plan	\$40 for 100/100 Mbps
LifeLine Participation	No
Percent Disadvantaged Communities	100 percent
Percent Low-Income Areas	100 percent
Median Household Income (weighted)	\$61,071
Area Households	160
Area Population	596
Estimated locations within 1,000 feet of the project area (location passings)	141
Estimated units within 1,000 feet of the project area (unit passings)	213
Unserved locations proposed to be served by the project	162
Unserved locations in the project area	86
Unserved units in the project area	138
Estimated unserved population in the project area	504
Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	21

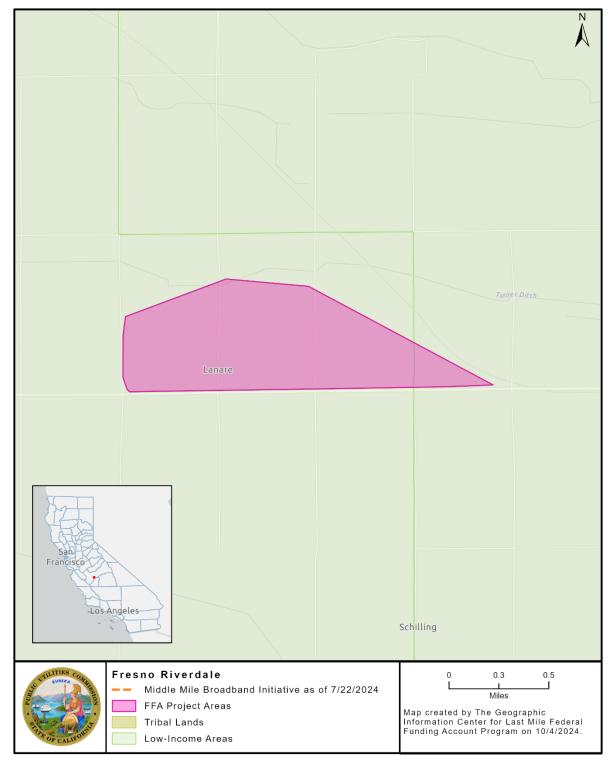
## **Resolution T-17872**

CD/CJ2

73
0
0
No
0 miles
\$0
\$1,171,105
18 Months
\$1,171,105
\$1,171,105
\$0
\$8,486
\$5,498

Map of Fresno Riverdale

## Comcast- Fresno Riverdale- Fresno County



## APPENDIX E Fresno – 1A Key Information

Project Name	Fresno-1A	
Applicant Name	AT&T	
Community Names	Fresno and Raisin City	
County	Fresno County	
County Allocation	\$61,159,782	
Project Size (in square miles)	60	
Maximum Download/Upload speed	5,000/5,000 Mbps	
Lowest cost plan (non-income qualified)	\$55 for 300/300 Mbps	
Low-income plan	\$30 for 100/100 Mbps	
Low-cost plan	No	
LifeLine Participation	Yes	
Percent Disadvantaged Communities	98 percent	
Percent Low-Income Areas	45 percent	
Median Household Income (weighted)	\$45,208	
Area Households	3,411	
Area Population	12,326	
Estimated locations within 1,000 feet of the project area (location passings)	5,528	
Estimated units within 1,000 feet of the project area (unit passings)	7,104	
Unserved locations proposed to be served by the project	2,495	
Unserved locations in the project area	2,456	
Unserved units in the project area	3,140	
Estimated unserved population in the project area	10,344	
Estimated unserved Multiple Dwelling Unit (MDU) locations in the project area	406	

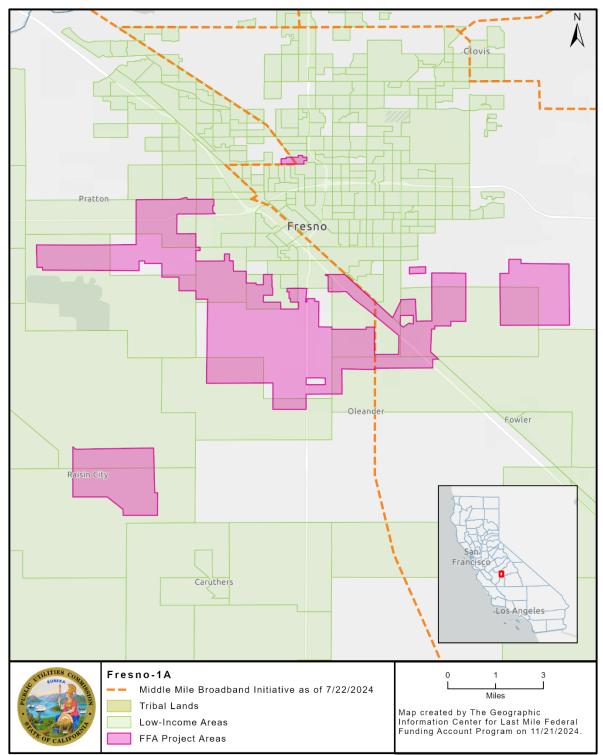
## **Resolution T-17872**

CD/CJ2

Estimated unserved Multiple Dwelling Unit (MDU) location units in the project area	1,090
Community Anchor Institutions benefitting from the project	56
Public safety locations benefitting from the project	4
Does the project connect to public open access middle mile?	No
Distance of middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	1.4 miles
Grant costs for middle-mile, backhaul, and connection to Middle Mile Broadband Initiative in project	\$0
Grant costs for last-mile delivery	\$13,950,000
Deployment Schedule	18 Months
Total Project Cost	\$23,266,695
Amount of FFA grant funds requested	\$13,950,000
Applicant funded	\$9,316,695
Grant (excluding middle mile) per unserved unit in the project area	\$4,443
Grant (excluding middle mile) per unit passing	\$1,964

Map of Fresno - 1A

AT&T- Fresno-1A- Fresno County



## APPENDIX F Cold Springs Rancheria of Mono Indians of California Service Plans

As a condition of the grant awards in this Resolution, Cold Springs Rancheria of Mono Indians of California 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 prices<sup>16</sup> in the Table below, including installation, for at least five years following project completion.

## • CSR Tribal Digital Village

Plan	Speed	Price in 2024 Dollars	Notes
100 Mbps Plan	100/100 Mbps	\$40/month	-
250 Mbps Plan	250/250 Mbps	\$77/month	-
1 Gbps Plan	1/1 Gbps	\$95/month	-
10 Gbps Plan	10/10 Gbps	\$250/month	-

<sup>&</sup>lt;sup>16</sup> Prices may increase at no more than the rate of inflation, defined by the Consumer Price Index.

## APPENDIX G Comcast Service Plans

As a condition of the grant awards in this Resolution, Comcast 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 prices<sup>15</sup> in the Table below, including installation, for at least five years following project completion, or ten years for the Low-Cost Plan:

## • Fresno Riverdale

Plan	Speed	Price in 2024 Dollars	Notes
Low-Cost	100/100	$40/\text{month}^{17}$	Ten-year price commitment
Plan <sup>16</sup>	Mbps		
Internet	50/10	\$9.95/month	Customers must provide
Essentials	Mbps		documentation showing eligibility
	_		for a qualifying program. <sup>18</sup>
			Includes free digital skills training in
			person and online. Customers have
			the option to purchase a low-cost
			Internet-ready computer.
Internet	100/20	\$29.95/month	Customers must provide
Essentials	Mbps		documentation showing eligibility
Plus			for a qualifying program. <sup>19</sup>
			Includes free digital skills training in
			person and online. Customers have
			the option to purchase a low-cost
			Internet-ready computer.

## APPENDIX H AT&T Service Plans

As a condition of the grant awards in this Resolution, AT&T 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 prices<sup>13</sup> in the Table below, including installation, for at least five years following project completion.

#### • Fresno - 1A

Plan	Speed	Price in 2024 Dollars	Notes
Access from	100/100	\$30/month	Customers must provide
AT&T	Mbps		documentation showing eligibility
			for a qualifying program. <sup>17</sup>
			Price includes available
			\$5.00/month auto-pay discount
AT&T Fiber	300/300	\$55/month	Price includes available
	Mbps		\$5.00/month auto-pay discount
AT&T Fiber	500/500	\$65/month	Price includes available
	Mbps		\$5.00/month auto-pay discount
AT&T Fiber	1,000/1,000	\$80/month	Price includes available
	Mbps		\$5.00/month auto-pay discount
AT&T Fiber	2,000/2,000	\$150/month	Price includes available
	Mbps		\$5.00/month auto-pay discount
AT&T Fiber	5,000/5,000	\$250/month	Price includes available
	Mbps		\$5.00/month auto-pay discount

As a condition of the grant awards in this Resolution, AT&T has committed to provide LifeLine-discounted service in the project area listed.

In addition, AT&T commits to offer voice service that meets California and Federal Communications Commission requirements for 9-1-1 service. AT&T states in their application: "At the time of this application, AT&T intends to offer VoIP services. For more information on AT&T's VoIP offerings, visit: https://www.att.com/home-phone/."

<sup>&</sup>lt;sup>17</sup> Qualifying programs/income thresholds include: Supplemental Nutrition Assistance Program; Supplemental Security Income; National School Lunch Program or Head Start; and household income based on 200% of the Federal Poverty Guidelines.

## **APPENDIX I**

# 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: