

Date of issuance: December 18, 2009

**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

**Communications Division  
Carrier Oversight and Programs Branch**

**RESOLUTION T- 17246  
December 17, 2009**

**R E S O L U T I O N**

**Resolution T-17246 Funding Approval for the Plumas-Sierra  
Telecommunications Last Mile Project, from the California Advanced  
Services Fund (CASF), Amounting to \$166,911**

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**Summary**

This Resolution adopts contingent funding for the Plumas-Sierra Telecommunications (PST) Last Mile project, amounting to \$166,911 from the California Advanced Services Fund (CASF). The amount granted represents 10% of the project costs to provide broadband service to 12 underserved census block groups (CBGs) in accordance with Commission Resolution T-17143, T-17233 and Decision (D.) 09-07-020.

**Background**

On December 20, 2007, the Commission approved D.07-12-054 which established the two-year CASF program to provide matching funds of up to 40% of the total project costs for the deployment of broadband infrastructure in unserved and underserved areas in California.<sup>1</sup> Resolution T-17143, approved on June 12, 2008, adopted application requirements, scoring criteria for the award of funds, and a prescribed timeline for other filings and notifications including a projected Commission Meeting date for final approval of award(s). This same Resolution directed interested applicants seeking funding for unserved and underserved projects, to file their project proposals and funding requests beginning July 24, 2008 and August 25, 2008, respectively.

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<sup>1</sup> SB 1193 (Chapter 393, Stats. of 2008) established the California Advanced Services Fund as a new public purpose program.

D.07-12-054 limited the extension of CASF funding to:

- Entities with CPCNs that qualify as “telephone corporations” as defined in § 234 of the Public Utilities Code (PU Code);
- Wireless carriers registered with the Commission and have granted a Wireless Identification Number (WIR);
- Entities who have pending applications for a CPCN; and
- A consortium with a member holding a CPCN or a WIR who will serve as the fiscal agent of the consortium (D.07-12-054 at pgs. 33-35, mimeo).

On July 9, 2009, the Commission issued D.09-07-020 establishing new schedules and plans for the filing, review and approval of an additional round of broadband project requests. This decision also provides the potential for the applicants to seek CASF program funding while pursuing funding for broadband deployment grants issued under the American Recovery and Reinvestment Act (ARRA).<sup>2</sup> Because federal grants under ARRA can fund up to 80% of the project, the Commission provided applicants, in D.09-07-020, the opportunity to seek an additional 10% funding coverage from the CASF, leaving only 10% for the applicant to provide.

On July 29, 2009, Governor Schwarzenegger signed Assembly Bill (AB) 1555 (Chapter 24, Statutes of 2009), amending Section 281 of the PU Code to expand CASF eligibility to any entity applying for CASF funding in conjunction with their ARRA funding request provided that entity satisfies the eligibility requirement for CASF funding. AB 1555 also provides that the Commission establish requirements and guidelines for non-certificated applicants.

On October 29, 2009, the Commission approved Resolution T-17233 establishing application requirements and guidelines for non-CPUC certificated applicants and broadband providers applying for CASF grant money, in conjunction with an application for ARRA funding, to develop and deploy broadband infrastructure.

As of December 3, 2009, the Commission has approved total CASF funds of \$57.44 million for 37 projects, covering 10,786 square miles and benefiting an estimated 111,712 households. The breakdown of the \$57.44 million is:

- Unserved - \$12.04 million, 17 projects, 4,303 square miles, and 33,327 households
- Underserved - \$45. 40 million, 20 projects, 6,483 square miles, and 78,385 households

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<sup>2</sup> The American Recovery and Reinvestment Act (ARRA) appropriates \$7.2 billion for grants and loans to support broadband deployment on a national level. ARRA offers a unique and ground breaking opportunity for California to partner with the federal government and other state agencies in advancing the goal of bridging the digital divide.

## **Notice/Protests**

The Census Block Group (CBG) list for PST's project appeared by county on the Commission's CASF website page under "(1) UNSERVED areas proposed to be served as of July 17, 2009: Census Block Groups (CBGs)," and (2) UNDERSERVED areas proposed to be served as of July 17, 2009: Census Block Groups (CBGs)." Subsequently when PST amended their application, they removed some of these CBGs from their application. Challenges were filed against the list of CBGs posted as of July 17, 2009. Communications Division (CD) proceeded to review and analyze the proposed project areas to verify that they were indeed unserved and/or underserved as of the applicant's filing date.

## **Discussion**

This Resolution adopts contingent funding of \$166,911 for the proposed Plumas-Sierra Telecommunications Last Mile project in Lassen County. This project is described in detail in Appendix A. Maps of the proposed project can be found on pages A-2 and A-3 of Appendix A. The total project cost is estimated at \$1,669,106 of which 10%, or \$166,911, is being requested from CASF as a 10% match to their 80% ARRA fund request.

Plumas-Sierra Telecommunications (PST) is a wholly-owned non-profit subsidiary of Plumas-Sierra Rural Electric Cooperative (PSREC), which was founded in 1937. PSREC is a member-owned electric distribution utility providing electrical power and related services to over 6,500 member/owners in Plumas, Lassen, and Sierra counties in California and portions of Washoe County in Nevada. Their headquarters are in Portola, CA, with a second office in Susanville (Lassen County).

PST is an experienced wireless Internet service provider that currently operates six wireless networks in Plumas and Eastern Sierra counties using a mixture of spectrums and both licensed and unlicensed frequencies. PST says that they determine which frequency and technology to use based on the terrain and density of foliage in the area to be served. Since the mid 1990's, PST has been offering satellite television, dial-up Internet access, and more recently, satellite high speed broadband, Wi-Fi Internet access and wireless cellular telephone services in a variety of areas within Plumas, Sierra and Lassen Counties.

Plumas-Sierra Rural Electric Cooperative (PSREC) describes itself as "a true cooperative, controlled by the membership through an elected seven-person board of directors." Their stated goal is to "provide utility services with a high level of reliability for fair and reasonable costs. We are also dedicated to improving the quality of life of our member-owners and our local communities."

On July 17, 2009, PST's initial CASF application was submitted by Inyo Networks, under U-4228-C, since Inyo Networks had a Certificate of Public Convenience (CPCN) and PST does not. That initial application was a proposal to offer Last Mile broadband services to over 13,000 households in over 42 communities and towns in 45 Census Block Groups (CBGs) in unserved and underserved areas of the Lassen, Plumas and Sierra counties under the requirements of Resolution (Res.) T-17143. The original proposed project cost was \$2,300,000.

After PST's original application was submitted, the Legislature passed AB 1555 and The CPUC approved D.09-07-020, which enabled organizations without a CPCN to apply for CASF funds in conjunction with an ARRA grant filing. In addition, 33 of the 45 CBGs included in the original application, that Inyo Networks submitted on behalf of PST, were formally challenged.

As a result, on September 17, 2009, PST submitted an amended application removing the 33 formally challenged CBGs from their application. PST submitted this amended application as a non-CPUC certificated applicant pursuant to AB 1555 and D.09-07-020.

PST's amended application is for a network with a total project cost of \$1,669,106. This is a reduction from its original total project cost of \$2,300,000. In summary, in its amended application, PST reduced its CASF funding request from \$230,000 to \$166,911 and also reduced the number of proposed CBGs for underserved areas from a total of 45 CBGs to 12.

As part of its review of the amended application, CD analyzed the PST Last Mile project to verify that the areas proposed to be served by PST were in fact underserved. Specifically, CD staff overlaid the Shapefiles submitted by PST to the updated California Broadband Task Force (CBTF) report maps and challenged areas to verify the broadband speeds in the proposed area. CD staff used this same method of overlaying Shapefiles applicants submitted onto the CBTF maps to determine which areas in a CBG are served, unserved or underserved. CD also posted the additional underserved CBGs that PST amended in its amended filing. CD informed PST that the maps showed that broadband was already being offered at speeds of 5 mpbs to 10 mpbs in many of the areas that PST proposed to offer broadband service. PST responded by informing CD that they disagreed. In response, CD informed PST that the maps are presumed to be accurate, but are rebuttable.

PST met with CD on September 24, 2009 to rebut the CBTF maps, showing areas of overlap where broadband is reportedly already provided in the CBGs where they proposed to offer service in Lassen County. PST provided results from a market research survey they conducted and other documents describing why it believes portions of the broadband map showing 5-10 mpbs broadband in Lassen County are not accurate representations of the actual download speeds in the areas where PST proposes to provide broadband service. CD requested that PST provide additional evidence for their rebuttal.

Thus, PST conducted a second research survey to provide more evidence to support their rebuttal. On October 6, 2009, PST submitted the results of these surveys and data from competitive broadband providers, including advertisements and their own observations. These surveys show that broadband services delivered using DSL and Wi-Fi radios using unlicensed 900 MHz spectrum in these 12 CBGs are only capable of delivering 700 kbps to 1.5 mbps of broadband service to many households in these areas. The surveys also show that in some of these areas broadband services are not offered or do not provide reliable service. Specifically, these research results showed that over 94% of the survey respondents reported actual download speeds from their existing providers in the areas surrounding Susanville, in and around Janesville, Milford, Herlong and Doyle ranging between 768 kbps and 1.2 mbps or lower. Some rural residents reported no broadband offered in their areas at all. Only three residents reported actual download speeds of 2 mbps and no one reported higher speeds. PST used these research results to formally rebut portions of the maps showing areas served with 5-10 Mbps broadband service.

PST reports that in wooded areas they currently use 900 MHz frequency networks to deliver end user broadband speeds from 384 kbps to 1.2 mbps. The new networks PST hopes to install would add 700 MHz radios in the heavily forested areas to improve speed and reliability. In non-wooded areas, where line of sight is available, they plan to use 2.5 GHz and 3.65 GHz frequency WiMAX radios to provide end users with speeds up high speed broadband.

It is worth noting that the 700 MHz spectrum was until very recently used by analog television broadcast signals. As a result of the transition to digital television in 2009, 700 MHz frequencies are now available to broadband service providers in some areas to “purchase” to use to transmit their broadband signals. 700 MHz frequencies are very desirable because broadband radios using those frequencies can send their broadband signals through concrete and dense forested areas, similar to the way that analog television signals penetrated concrete and heavily wooded areas. That is why PST is proposing to purchase 700 MHz frequencies and purchase 700 MHz radios to deploy broadband service in the heavily forested areas in which they are proposing to deploy broadband. In contrast, broadband Wi-Fi radios using unlicensed 900 MHz spectrum will not transmit through cement or heavily forested areas.

PST reports many of Plumas-Sierra Rural Electrical Cooperative’s (PSREC) electricity customers live in rural areas that are beyond 12,000 feet from local telephone central offices, putting them beyond the reach of reliable high speed DSL broadband services. Many of these existing PSREC electricity customers rely on satellite for both their video and broadband services today.

CPUC investigated and verified the accuracy of the results of the research studies and other documents provided by PST. CD conducted random telephone conversations with a sample of the survey respondents as well as with sales representatives of the

broadband provider that formally challenged the CBGs in PST's original application. Those corroborated information that trees in wooded areas often disrupt some types of 900 MHz broadband wireless signals and that actual broadband delivered in wooded areas is often significantly less than what is advertised. These research surveys submitted and follow-up conversations confirmed that in the areas surrounding Susanville and Janesville, wireless broadband signals deliver broadband at speeds well below advertised rates of 3 mbps; often at speeds less than 1 mbps. Based on CD's verification, CD accepts PST's rebuttal to the 5-10 mbps areas shown on the broadband maps.

CD, therefore, concludes that PST successfully rebutted the portions of the map showing 5-10 mbps broadband in CBGs where PST proposes to offer broadband service.

PST's amended project proposes to deploy fixed wireless networks using a combination of licensed 2.5 GHz and 3.65 GHz WiMAX frequencies and 700 MHz and 900 MHz frequencies to deliver high speed broadband services to 3,994 households and 453 businesses in 12 CBGs in the underserved communities surrounding Susanville, in and around Janesville, Milford, Herlong, Doyle and the Sierra Army Depot in Lassen County. The Wi-MAX technology will be used to deliver service to the areas that are not heavily wooded. However, PST plans to use more powerful broadband radios operating in the 700 MHz frequencies to send and receive broadband signals that can penetrate through the more heavily wooded portions of the territory in which they plan to offer service.

Below are two tables that describe PST's proposed services and associated pricing. The proposal guarantees the following pricing program for at least one year.

### **Plumas – Sierra Last Mile Proposed Services and Pricing**

	<b>Basic 1.5 Mbps Broadband</b>	<b>Enhanced 2.0 Mbps Broadband</b>	<b>Fastest 3.0 Mbps Broadband</b>
Monthly Price	\$30	\$40	\$55
Non-Recurring Installation Fee	\$149	\$149	\$149
Download Bandwidth	1.5 mbps	2.0 mbps	3.0 mbps
Upload Bandwidth	768 kbps	768 kbps	1.0 mbps

**Plumas Sierra's Estimates of  
Penetration Rates and Numbers of Subscribers**

	<b>Penetration Rate</b>	<b>Number of Subscribers</b>
Year 1	5%	192
Year 2	13%	527
Year 3	20%	807

Plumas-Sierra noted that communities in Lassen County endure severe unemployment, and poverty. Plumas-Sierra believes that deployment of this last mile project to approximately 4,000 households and 453 businesses in the region will enable a large number of them to gain access to faster and more reliable broadband service.

For qualification purposes under the CASF program, unserved areas are defined as areas not served by any form of facilities-based broadband, or where internet connectivity is available only through dial-up service or satellite. Likewise, underserved areas are defined as areas where broadband service is available but no facilities-based provider offers service at speeds of at least 3 mbps download and 1 mbps upload.

Communications Division (CD) reviewed PST's project eligibility through analysis of the required submitted data. These data include, but are not limited to: descriptions of current and proposed broadband infrastructure; Geographic Information System (GIS) formatted Shapefiles mapping the subject areas; assertion that the area is unserved and/or underserved; potential subscriber size and household incomes; project construction schedule; project budget; proposed pricing and commitment period for new subscribers; and, financial qualifications of the applicant. In addition, CD reviewed the submitted Shapefiles, which mapped the broadband deployment proposed using United States 2000 Census data, the January, 2008, Broadband Task Force Report (BBTF) including its on-line maps, and the revised August 10, 2009, California Broadband Task Force (CBTF) maps, among others.

PST is required to comply with all the guidelines, requirements, and terms and conditions associated with the granting of CASF funds for non-licensed broadband providers as specified in the ordering paragraphs of Res. T-17233, including:

- 1) The requirement to post a performance bond equal to the total amount payable under this CASF award, or 10% of the project costs. In accordance with Appendix A, IV. 13 Performance Bond Documentation, of Resolution T-17143, PST should be required to post a performance bond equal to the total amount payable under this CASF award, or 10% of the project costs and provide a copy of the bond to Communications Division in compliance with existing Commission rules on CASF funding.

- 2) The requirement to submit the information sheets in Appendices 1 and 2 of Res. T-17233 as part of their application.
- 3) The condition that all applicants must agree in writing to allow the Commission to inspect the applicant's accounts, book, papers, and documents related to the application and award of CASF funds.
- 4) The requirement to comply with all the guidelines, requirements and conditions associated with the granting of CASF funds as specified in Res. T-17143, including, but not limited to, the submission of Form 477 annually to the Federal Communications Commission as discussed in Res. T-17143.

PST informed CD that the physical components of the project (radios, access point equipment and repeaters) will be placed on existing Plumas-Sierra Rural Electric Cooperative poles, utilizing existing easements. In the Susanville Indian Rancheria, PST may install the equipment on a water tower that is owned by the Rancheria.

Because there are no trenching or other ground disturbing activities associated with this project, it can be seen with certainty that this project will not have a physical impact on the environment. Thus, this project is exempt from the California Environmental Quality Act (CEQA). Unless the project changes to include trenching or ground disturbing activities, this project will not require CEQA review prior to the disbursement of CASF funding. PST must identify any other special permit requirements and will provide those with a cross-reference to the government agencies from which the permits will be or have been required for this project.

The receipt of the CASF grant is contingent on PST's 1) compliance with the requirements in Res. T-17233 and Res. T-17143; and 2) receipt of ARRA funding.

### **Payments to CASF Recipients**

Submission of invoices from and payments to Plumas Sierra Telecommunications shall be made in accordance with Section IX of Appendix A of Resolution T-17143 and according to the guidelines and supporting documentation required in Resolution T-17143.

Payment to Plumas-Sierra Telecommunications shall essentially follow the process adopted for funds created under Public Utilities Code §270. The following table describes the timeline for processing CASF payments.



Event	Payment Cycle 1 (Day/Month)	Payment Cycle 2 (Day/Month)
Invoices due from Plumas-Sierra Telecommunications to CD	5 <sup>th</sup> of Month 1	20 <sup>th</sup> of Month 1
Payment letters from CD to Information and Management Services Division (IMSD) <sup>3</sup>	On 19 <sup>th</sup> of Month 1	On 4 <sup>th</sup> of Month 2
Invoices submitted from MSD to State Controller's Office (SCO) for payments	20 <sup>th</sup> through 26 <sup>th</sup> of Month 1	5 <sup>th</sup> through 13 <sup>th</sup> of Month 2

Plumas-Sierra Telecommunications may submit its invoices under Payment Cycle 1 or 2.

If any date in this payment schedule falls on a weekend or holiday, that date will be advanced to the next business day but the remaining dates in the payment schedule will remain unchanged. The SCO requires 14 to 21 days to issue payment from the day that requests are received by SCO. Approval and disbursement of the first 25% CASF payment is contingent upon PST's (1) compliance with the requirements in Resolutions T-17233 and T-17143; and (2) receiving ARRA funding approval.

### Comments on Draft Resolution

In compliance with PU Code § 311(g), a notice letter was emailed on November 13, 2009, informing a) all CASF applicants filing under D.09-07-020, and b) parties on the service list of R.06-06-028 of the availability of the draft of this Resolution for public comments at the Commission's website <http://www.cpuc.ca.gov/static/documents/index.htm>. This letter also informed parties that the final conformed Resolution adopted by the Commission will be posted and will be available at this same website. No comments were received as of December 9, 2009.

### Conclusion

The Commission finds CD's recommended contingent CASF funds award for 12 underserved areas in the PST Last Mile project as discussed in this resolution and summarized in Appendix A to be reasonable and consistent with Commission orders, and, therefore, adopts such award. PST's contingent funding is based on 1) compliance with the requirements of Resolutions T-17233 and T-17143; and 2) receiving ARRA funding. If PST is unable to obtain ARRA funding and, as a result, will not build the

<sup>3</sup> The above schedule is contingent on the CASF recipient submitting clear, complete, and error-free invoices to CD. Additional time to process payments may be necessary if CD finds problems with the submitted invoices.

Last Mile project, then PST should notify the CD Director that the project will not be built so that CASF funds may be reallocated to other grants. PST is also required to post a performance bond and provide a copy of the bond to CD as directed in this resolution.

### **Findings**

1. The CASF was established as a two-year program that will provide matching funds of up to 40% of the total project costs for the deployment of broadband infrastructure in unserved and underserved areas in California.
2. Resolution T-17143, approved on June 12, 2008, adopts the application requirements and scoring criteria for the award of funds, a prescribed timeline for other filings, and notifications including a projected Commission Meeting date for final approval of award(s). T-17143 directed interested applicants seeking funding for unserved and underserved projects to file their project proposals and funding requests beginning July 24, 2008.
3. On July 9, 2009, the Commission issued D.09-07-020 approving a new CASF schedule and plan for an additional round of broadband projects that would complement broadband grants awarded under the federal government's American Recovery and Reinvestment Act (ARRA). While retaining the 40% matching grant process, the Commission in this Decision authorized providers an option of seeking a 10% grant from the CASF concurrent with efforts to seek an 80% grant from the ARRA fund.
4. Plumas-Sierra Telecommunications' (PST) initial application was filed by Inyo Networks on July 17, 2009, under U-4228-C since it had a CPCN and PST does not. PST subsequently filed an amended application on September 17, 2009 as a non-CPUC certificated applicant pursuant to AB 1555 and D.09-07-020.
5. On October 29, 2009, the Commission approved Resolution T-17233, which adopts the application requirements and guidelines for non-licensed broadband providers/applicants applying for CASF grant money in conjunction with an application for ARRA funding to support broadband infrastructure deployment.
6. A list of census block groups (CBGs) appeared by county on the Commission's CASF website page under "UNSERVED areas proposed to be served as of July 17, 2009: Census Block Groups (CBGs)", and "UNDERSERVED areas proposed to be served as of July 17, 2009: Census Block Groups (CBGs)." Communications Division proceeded with its independent review and analysis of this project area to verify that it was unserved and/or underserved as of the applicant's filing date.
7. Unserved areas are defined as areas not served by any form of facilities-based broadband, or where internet connectivity is available only through dial-up service or satellite.
8. Underserved areas are defined as areas where broadband is available but no facilities-based provider offers services at speeds of at least 3 mbps download and 1 mbps upload.

9. PST's Last Mile project proposes to deploy fixed wireless networks in 12 unserved and underserved CBGs in Lassen County that will deliver high speed internet services to unserved and underserved residents and businesses.
10. PST proposes to deploy wireless broadband radios that will transmit and receive radio signals using the following four wireless frequencies (700 MHz, 900 MHz, 2.5 GHz and 3.65 GHz) using WiFi or WiMAX protocols.
11. CD reviewed PST's Last Mile project eligibility through the analysis of required data submitted. These data include, but are not limited to: descriptions of current and proposed broadband infrastructure; market research studies of broadband currently provided to prospective customers, geographic information system (GIS) formatted Shapefiles mapping the subject areas; assertion that the area is underserved; potential subscriber size and household incomes; project construction schedule; project budget; proposed pricing and commitment period for new subscribers; and, financial qualifications of the applicant.
12. CD reviewed the shapefiles, which mapped the broadband deployment, using sources including, but not limited to, the United States 2000 Census data, the January, 2008, Broadband Task Force Report, and the revised August 10, 2009, California Broadband Task Force map, among others. These maps helped to verify the existence or non-existence of broadband service areas and broadband speeds, where available.
13. Of the 45 underserved Census Block Groups (CBGs) in PST's original proposal, 33 were formally challenged.
14. PST amended its proposal and resubmitted a revised proposal for 12 CBGs.
15. As part of its review of the amended application, CD informed PST that the maps showed that broadband was already being offered at speeds of 5 mpbs to 10 mpbs in many of the areas that PST proposed to offer broadband service.
16. PST responded by informing CD that they disagreed with the CBTF maps.
17. In response, CD informed PST that the maps are presumed to be accurate, but are rebuttable.
18. PST met with CD on September 24, 2009 to rebut the CBTF maps. PST provided results from a market research survey they conducted and other documents describing why it believes portions of the broadband map showing 5-10 mpbs broadband in Lassen County are not accurate representations of the actual download speeds in the areas where PST proposes to provide broadband service.
19. CD requested that PST provide additional evidence for their rebuttal.
20. PST conducted a second research survey to provide more evidence to support their rebuttal. On October 6, 2009, PST submitted the results of these surveys and data from competitive broadband providers, including advertisements and their own observations. These surveys show that broadband services delivered using DSL and Wi-Fi radios using unlicensed 900 MHz spectrum in these 12 CBGs are only capable

of delivering 700 kbps to 1.5 mbps of broadband service to many households in these areas. The surveys also show that in some of these areas broadband services are not offered or do not provide reliable service.

21. PST reports many of Plumas-Sierra Rural Electrical Cooperative's (PSREC) electricity customers live in rural areas that are beyond 12,000 feet from local telephone central offices, putting them beyond the reach of reliable high speed DSL broadband services. Many of these existing PSREC electricity customers rely on satellite for both their video and broadband services today.
22. PST used these research results to formally rebut portions of the maps showing areas served with 5-10 mbps broadband service.
23. CPUC investigated and verified the accuracy of the results of the research studies and other documents provided by PST. CD conducted random telephone conversations with a sample of the survey respondents as well as with sales representatives of the broadband provider that formally challenged the CBGs in PST's original application. Those corroborated information provided by PST.
24. Based on CD's verification, CD accepted PST's rebuttal to the 5-10 mbps areas shown on the broadband maps
25. CD determined that the CBGs covering the proposed areas are qualified as underserved as defined in Resolution T-17143.
26. After its review, CD determined the PST Last Mile project application for underserved areas covering 12 underserved CBGs is eligible to receive funding under CASF.
27. In accordance with Appendix A, IV. 13 Performance Bond Documentation, of Resolution T-17143, Plumas-Sierra Telecommunications must post a performance bond equal to the total amount payable under this CASF award or 10% of the project costs and provide a copy of the bond to the Communications Division in compliance with existing Commission rules on CASF funding.
28. PST should comply with all guidelines, requirements, and conditions associated with the granting of CASF funds as specified in the ordering paragraphs of Resolutions T-17233 and T-17143 including the submission of FCC Form 477.
29. PST informed CD that the physical components of the project (radios, access point equipment and repeaters) will be deployed entirely on existing Plumas-Sierra Rural Electric Cooperative poles and the water tower in the Susanville Indian Rancheria, using existing easements. There are no trenching or ground disturbing activities to be conducted in association with this project.
30. Because the physical components of the project will be placed entirely on existing facilities, it can be seen with certainty that there is no possibility that the project may have a significant effect on the environment. Thus, the project is exempt from California Environmental Quality Act (CEQA) review.

31. If changes are made to the project that would require trenching or other ground disturbing activities, CASF funds could not be disbursed prior to the Commission's completion of CEQA review.
32. Approval and disbursement of the first 25% CASF payment is contingent upon PST's 1) compliance with the requirements of Res. T-17233 and T-17143; and 2) receiving ARRA funding approval.
33. If PST is unable to obtain ARRA funding and will not build the Last Mile project, then PST should notify the CD Director that the project will not be built so that CASF funds may be reallocated to other grants.
34. A notice letter was emailed on November 13, 2009, informing a) all CASF applicants filing under D.09-07-020 and, b) parties on the service list of R.06-06-028 of the availability of the draft of this Resolution for public comments at the Commission's website <http://www.cpuc.ca.gov/static/documents/index.htm>. This letter also informed parties that the final conformed Resolution adopted by the Commission will be posted and available at this same website.
35. No comments were received regarding this resolution as of December 9, 2009.
36. The Commission finds CD's recommended contingent CASF award to PST, for underserved areas in the PST Last Mile project and as discussed in this Resolution and summarized in Appendix A, to be reasonable and consistent with Commission orders and should be adopted.

**THEREFORE, IT IS ORDERED that:**

1. The California Advanced Services Fund shall award contingent funding of \$166,911 from the California Advanced Services Fund to Plumas-Sierra Telecommunications (PST) for the Last Mile project to provide service in underserved areas as described in the Discussion section and summarized in Appendix A of this Resolution. The award is contingent on PST receiving (1) an ARRA grant for 80% of the total estimated project cost, and (2) compliance with the ordering paragraphs of Res. T-17233.
2. PST shall post a performance bond equal to the total amount payable under this CASF award, or 10% of the project costs, and provide a copy of the bond to the Communications Division in accordance with the Commission rules.
3. PST shall comply with all guidelines, requirements, and conditions associated with the CASF funds award as specified in Resolutions T-17233, T-17143 and D.09-07-020 and the California Environmental Quality Act. If the project does not include trenching or ground disturbing activities, it will not be subject to CEQA review.
4. PST shall notify the CD Director of the disposition of its ARRA application for the Last Mile project.
5. If the PST Last Mile project will not be completed, then PST shall notify the CD Director so that the committed CASF funds may be reallocated for other grants.
6. The program fund payment of \$166,911 for this Commission-approved underserved project shall be paid out of the CASF fund in accordance with the guidelines adopted in Resolutions T-17233, T-17143 and D.09-07-020.
7. Payments to PST shall be in accordance with Section IX of Appendix A of Resolution T-17143 and in accordance with the process defined in the "Payments to CASF Recipients" section of this resolution.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on December 17, 2009. The following Commissioners approved it:

/s/Paul Clanon

PAUL CLANON  
Executive Director

MICHAEL R. PEEVEY  
President  
DIAN M. GRUENEICH  
JOHN A. BOHN  
RACHELLE B. CHONG  
TIMOTHY ALAN SIMON

Resolution T- 17246  
CD/MBP

Commissioners

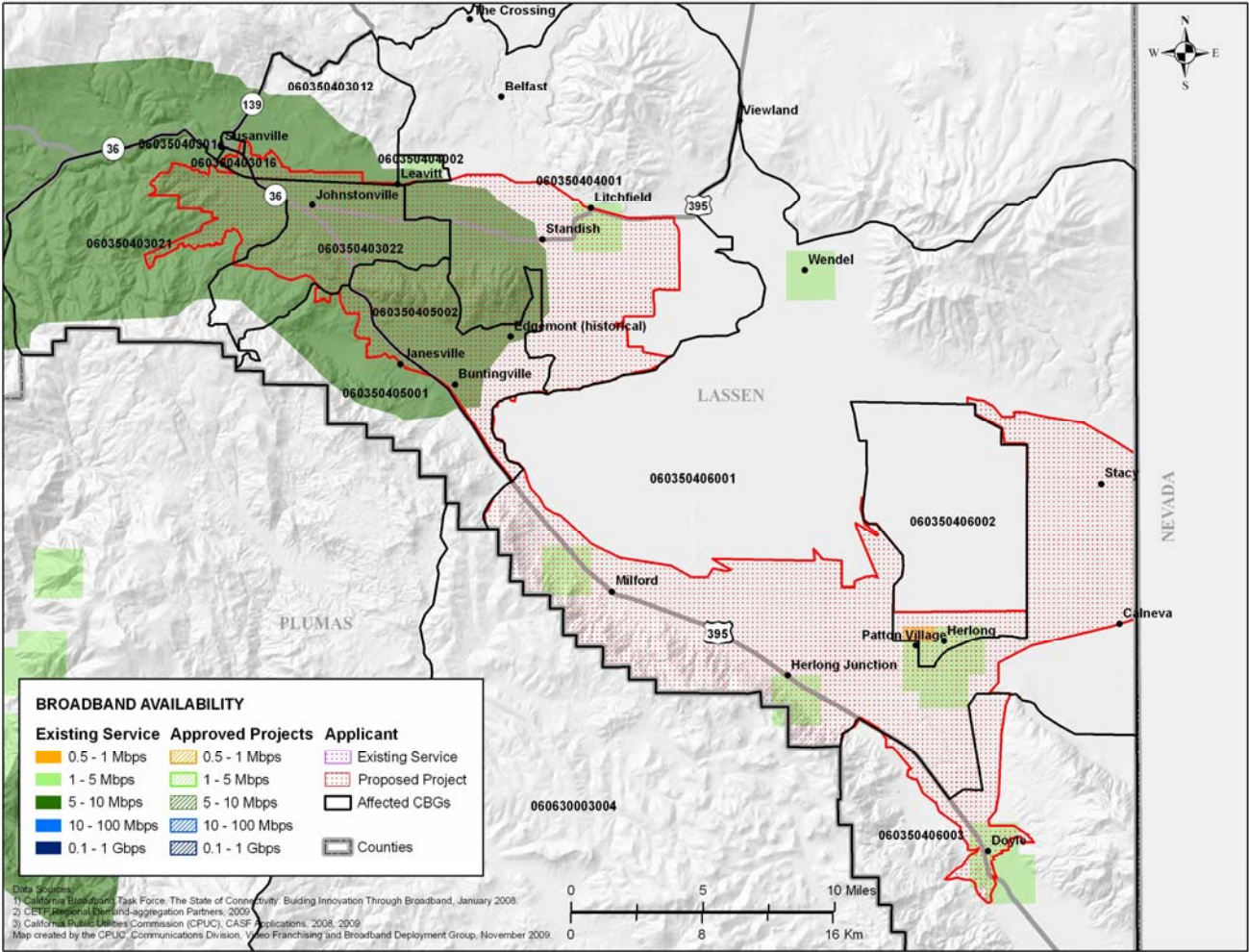
**APPENDIX A**  
**Plumas-Sierra Last Mile Project**  
**Key Information**

1	<i>Project ID</i>		
2	<i>Project Name</i>	<b>Plumas-Sierra Last Mile</b>	
3	<i>Project Plan</i>	Plumas-Sierra will use WiMAX technology and licensed spectrum to offer wireless broadband service to residents and businesses in South Eastern Lassen County.	
4	<i>Project Size (in square miles)</i>	259 square miles	
		537 contiguous census blocks in 12 underserved CBGs.	
5	<i>Download speed</i>	Residential - 3 mbps down Business - 6 mbps symmetrical	
6	<i>Upload speed</i>	Residential - 1.5 mbps Business - 6 mbps	
7	<i>Location</i>	South eastern Lassen County	
a)	<i>Community Name</i>	Outskirts of Susanville, Janesville, East of Janesville, Milford Areas, Herlong, Doyle.	
b)	<i>CBGs/Household Income</i>	<u><b>UNDERSERVED</b></u>	
	North east of Susanville	060350403012	\$33,217
	North of Susanville	060350403014	\$27,964
	South of Susanville	060350403016	\$21,492
	South of Susanville	060350403021	\$51,678
	South / east of Susanville	060350403022	\$42,596
	East of Susanville / North of Honey Lake	060350404001	\$41,200
	East of Susanville	060350404002	\$58,750
	Janesville	060350405001	N/A
	East of Janesville	060350405002	N/A
	Milford Area / Sierra Army Depot	060350406001	\$37,550
	East of Milford / Herlong	060350406002	\$33,571
	Doyle	060350406003	\$26,328
c)	<i>ZIP Codes</i>	<u><b>Underserved</b></u>	
		96103	
		96113	
		96109	
		96121	
		96114	
8	<i>Estimated Potential Subscriber Size</i>		
a)	<i>Households</i>	3,994	
9	<i>Deployment Schedule (from Commission approval)</i>	16 months	
10	<i>Proposed Project Budget</i>	\$1,669,106	
	<i>CASF (10%)</i>	\$166,911	
	<i>CIAC</i>	N/A	
	<i>Amount of CASF Funds</i>	<b>\$166,911</b>	



Requested

APPENDIX A  
Resolution T-17246  
Plumas-Sierra Last Mile Shapefile



**APPENDIX A**  
**Resolution T-17246**  
**Plumas-Sierra Last Mile**  
**Statewide Map**

