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PRESS RELEASE

Docket #: Res T- 17224

**CPUC APPROVES FUNDING TO BRING
BROADBAND TO MODOC COUNTY**

SAN FRANCISCO, September 24, 2009 – The California Public Utilities Commission (CPUC) today approved contingent funding of \$50,707 for the Lookout Broadband Project in Modoc County that will bring broadband Internet service to 166 households in a rural area that is currently without any high-speed Internet service.

The amount granted to project sponsor Frontier Communications of California is from the CPUC's \$100 million California Advanced Services Fund (CASF) and represents 10 percent of the total project costs of \$507,066. It is contingent upon Frontier receiving an 80 percent matching grant from the federal broadband stimulus portion (\$7.2 billion) of the American Recovery and Reinvestment Act (ARRA). Frontier will provide the remaining 10 percent of funding from its own sources.

The proposed Lookout Broadband Project area in Modoc County lies in the northeastern-most corner of California. It will serve a currently unserved area of 67 square miles with broadband service at speeds of 1 Mbps download and 256 Kbps upload. While these speeds are lower than the benchmark speeds of the CASF program, the CPUC believes that these speeds are superior to current dial-up speeds in this unserved area.

With an estimated construction period of 6 ¼ months, the Lookout Broadband Project is the first CASF proposal to be approved by CPUC that will also be submitted for ARRA funding. If approved by the federal government, the Lookout Broadband Project would also be the first CASF project to receive federal economic stimulus funding.

On July 9, 2009, the CPUC established a new schedule for filing, review, and approval of CASF broadband fund applications to allow project sponsors to simultaneously apply for an 80 percent match from federal ARRA stimulus.

On December 20, 2007, the CPUC established the two-year, \$100 million CASF to provide 40 percent matching infrastructure grants to broadband providers willing to put up the matching 60 percent of funds and to serve the nearly 2,000 California communities that are currently unserved and underserved by broadband. Of that \$100 million, \$12,595,108 in broadband infrastructure grants have so far been approved. Today's approval brings the total to \$12,645,815. Applications for CASF grants are still being accepted by the CPUC from broadband providers.

For information on the Governor's Broadband Taskforce, please visit www.calink.ca.gov/taskforce/aboutus.asp.

For more information on communications issues, please visit www.CalPhoneInfo.com.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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