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**PRESS RELEASE**

Docket #: Res T-17230

**CPUC APPROVES MATCHING GRANT FOR BROADBAND PROJECT  
IN NORTHEASTERN SIERRA REGION**

SAN FRANCISCO, February 25, 2010 – The California Public Utilities Commission (CPUC) today approved a matching grant of \$1,721,280 from the California Advanced Services Fund (CASF) to Plumas Sierra Telecommunications (PST) that would provide wholesale high-speed Internet broadband service to retail Internet service providers and 171 anchor institutions in the mountainous areas of Plumas, Sierra, and Lassen Counties in northeastern California.

This grant represents 10 percent of the total cost of the project and is contingent upon approval for an 80 percent matching grant from the federal broadband stimulus portion (\$7.2 billion) of the American Recovery and Reinvestment Act (ARRA).

The PST middle-mile project would build a backhaul network designed to support the northeastern Sierra region of California, including portions of Plumas, Lassen, and Sierra Counties. The proposed fiber network would enable wholesale service to Internet service providers, who in turn could directly serve up to approximately 13,000 underserved residents and businesses at speeds from 3 mbps to potentially as high as 100 mbps. Three full-time operations and sales jobs are expected to be created through this project, with an additional 90 construction and project-related jobs created during construction.

The proposed 180-mile fiber network would also provide broadband capacity to anchor institutions, such as the City of Loyalton, Feather River Community College District, City of Portola, Plumas County Office of Education, Plumas District Hospital, Plumas (County Economic Development) Corporation, the Sierra Institute for Community and Environment, Plumas Bank, Plumas-Sierra Rural Electric Cooperative, Susanville Indian Rancheria, the U.S. Department of Agriculture Forest

Service (Plumas National Forest), and an electric co-generation facility being built by Lassen County Prison.

PST is a wholly-owned non-profit subsidiary of Plumas-Sierra Rural Electric Cooperative (PSREC), a member-owned electric distribution utility providing electricity and related services to over 6,500 member/owners in Plumas, Lassen, and Sierra counties in California, and portions of Washoe County in Nevada. PSREC was founded in 1937.

The proposed fiber route follows the U.S. Route 395 corridor from Sparks, Nevada into California heading north to Susanville, with a second fiber path branching off after entering California to take a westerly route along California State Route 70 to Quincy, and another branch heading south along State Route 49 in Sierra County to Loyalton and Sierraville. The CASF grant would fund 10 percent of the costs for the California portion of the network.

This middle-mile project also facilitates a portion of the PST Last Mile Project previously approved by the CPUC (December 17, 2009) for a CASF grant of \$166,911 that would provide retail access to broadband service to 3,994 households and 453 businesses, in areas not already served by Internet service providers in Lassen, Plumas, and Sierra Counties. The Last Mile Project is also contingent upon approval of 80 percent matching ARRA 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.

Before then, on December 20, 2007, the CPUC established the \$100 million CASF to provide 40 percent matching infrastructure grants to broadband providers willing to finance the remaining 60 percent of a project's funding requirement, to better serve the nearly 2,000 California communities that are currently unserved and underserved by broadband. Of that \$100 million, \$85,388,389 in broadband infrastructure grants have so far been approved. Today's approvals bring the total to \$87,109,669.

Applications for CASF grants are still being accepted by the CPUC. CPUC Resolution T-17143 authorized the Communications Division to establish new filing periods in the event that CASF funds remain. Prospective applicants may submit new CASF funding applications, either for a 40 percent CASF grant or for a 10 percent matching grant to complement the applicant's second round ARRA funding application. New CASF funding applications must be submitted by March 19, 2010. Although applications may be submitted after this date, applications received by March 19<sup>th</sup> will be given primary consideration for funding.

For information on the Governor's Broadband Taskforce, please visit [www.calink.ca.gov/taskforce/aboutus.asp](http://www.calink.ca.gov/taskforce/aboutus.asp).

For more information on communications issues, please visit [www.CalPhoneInfo.com](http://www.CalPhoneInfo.com).

For more information on the CPUC, please visit [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

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