

California Public Utilities Commission

Update on the California Advanced Services Fund (CASF)



Communications Division
September 30, 2010

California Public Utilities Commission

CASF Background

- **The Commission established the \$100 million CASF Program in D.07-12-054 (December 20, 2007)**
- **The CASF Program initially provided matching funds up to 40% of the total project cost; recipient provides 60%**
- **Projects that build out facilities to provide broadband services to unserved areas (areas without broadband access except through dial-up or satellite) and to underserved areas (areas where no facilities-based provider offers service of at least 3 megabits per second download and 1 megabit per second upload)**
- **Final approval of projects is done through Commission resolution**
- **The program sunsets on January 1, 2013**

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Eligibility Criteria Expansion

- **In July 2009, through Decision 09-07-020, the Commission:**
 - **expanded the eligibility criteria to applicants who are also seeking American Recovery and Reinvestment Act funding**
 - **continued the 40% matching grant concept but also provided the potential for applicants to seek 10% CASF matching funds while pursuing broadband deployment funds of up to 80% under the ARRA.**
 - **expanded the application requirement to entities other than telephone corporations provided CASF funding is pursued in conjunction with ARRA in conjunction with AB 1555 (Chapter 24, Stats 2009)**
- **Resolution T-17233 (October 29, 2009) adopted application requirements for Broadband Providers / Applicants other than holders of CPCN or registered wireless providers**

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CASF Criteria for Awarding

- Applicants must prove that the area is unserved or underserved
- Applicants must comply with the requirements of Resolutions T-17143 and T-17233 (e.g., maps, CBGs and Zip codes of proposed area)
- Applications are scored according to the following criteria (applied where there are competing applications for the same area)
 - Funds Requested per Potential Customers 40 pts
 - Speed 20 pts
 - Service Area 15 pts
 - Timeliness of Completion of Project 5 pts
 - Pricing 10 pts
 - Guaranteed Pricing Period 5 pts
 - Low-Income Areas 5 pts
 - 100 pts

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Projects Approved for Funding

- **The total CASF award to date is \$51.21 million for 40 projects covering 12,538 square miles and benefiting 112,024 households**
 - **Unserved areas : \$ 4.91 million for 15 projects covering 3,236 square miles and benefiting 27,427 households**
 - **Underserved areas : \$46.30 million for 25 projects covering 9,302 square miles and benefiting 84,597 households**

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Projects Approved for Recovery Act Funding

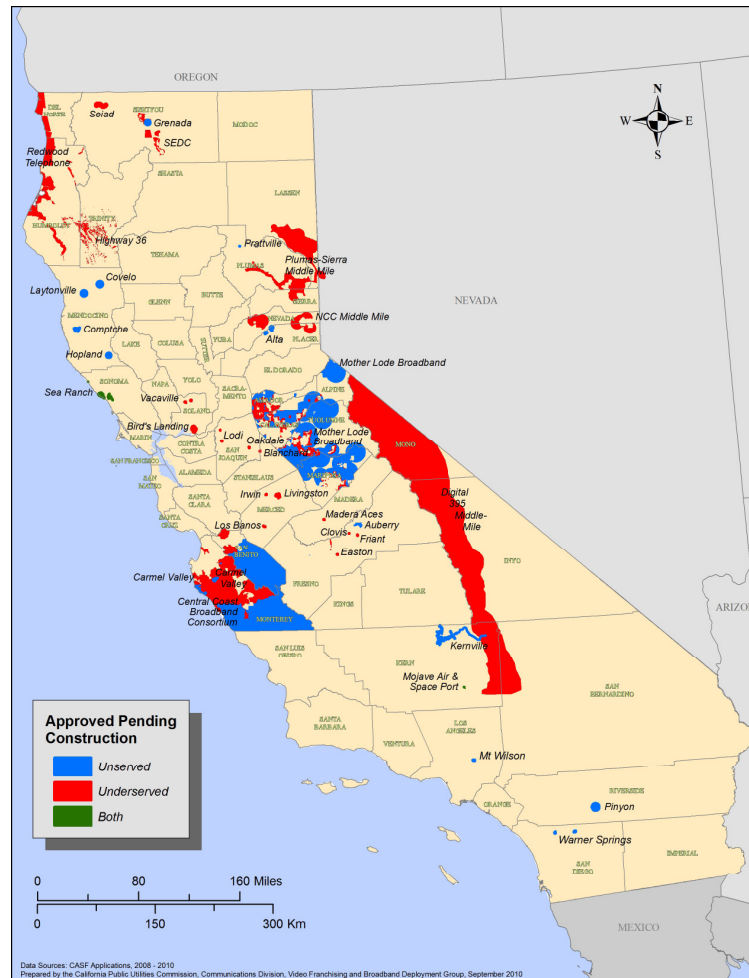
- Six projects have been successful in securing Recovery Act funding:

Project Name	Recovery Act funding (in millions)	CASF Funding (in millions)
Ponderosa Cablevision Auberry Project	\$3.852	\$1.155
Calaveras	\$4.087	\$0.641
Digital 395 Middle Mile	\$81.149	\$19.295
PST Middle Mile	\$13.770	\$1.721
Audeamus	\$5.483	\$1.154
CVIN LLC *	\$46.620	\$6.660
TOTAL	\$154.961	\$30.626
* Approval of CASF funding for Commission consideration in October 2010		

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Statewide Map of Approved CASF Projects as of September 2010



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Status of Approved Projects

- **Of the projects awarded CASF funding to date:**
 - **Seven projects have been completed:**
 - Frontier's Pinyon project in Riverside County;
 - Citizen's (Global Valley) Livingston's Project in Merced County;
 - AT & T's Mount Wilson Project in Los Angeles;
 - AT & T's Comptche Project in Mendocino County;
 - AT & T's Warner Springs project in San Diego County;
 - AT & T's Carmel Valley Project in Monterey County; and
 - Frontier's Birds Landing Project in Solano County
 - **Two projects, Willits Online's Covelo and Laytonville projects, in Mendocino County are about 70% complete**
 - **Other projects are either:**
 - Under construction and will be completed in mid-2010 up to mid-2011 or
 - Under CEQA review, undergoing pre-construction activities or are pending Recovery Act funding

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New CASF Developments

- **Senator Padilla introduced SB 1040 which:**
 - **Increases CASF appropriation from \$100 million to \$225 million**
 - **Establishes and allocates the additional \$125 million to be collected after January 1, 2011 to the following accounts:**
 - **The Broadband Infrastructure Grant Account - \$100 million**
 - **The Rural and Urban Regional Broadband Consortia Grant Account - \$10 million, and**
 - **The Broadband Infrastructure Loan Funds Facility Account - \$15 million**
 - **Limits the collection of the additional sum of \$125 million to \$25 million from Calendar Year 2011 through Calendar Year 2015**

- **SB 1040 has been sent to the Governor for his signature**

- **It is expected that the Commission will issue an OIR for the implementation of SB 1040 in November 2010 and issue a Decision revising the existing CASF guidelines and requirements during the 2nd quarter of 2011**

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