
North Bay/North Coast Broadband Consortium

To: Mike McGuire
From: Mike Nicholls
Subject: AB 1665- NBNCBC Recommended Amendments
Date: February 27, 2017

The **North Bay-North Coast Broadband Consortium (NBNCBC)** is comprised of Marin, Mendocino, Napa, and Sonoma counties, via the Board of Supervisors. Each member represents all its county constituents including: cities, towns, census designated places, tribal communities, educational institutions, libraries, public safety entities, other government agencies, health care providers, community and non-profit organizations, local businesses, and residents in the county.

When public policy broadband decisions and broadband infrastructure plans cut across **NBNCBC** counties the four county Boards of Supervisors will work towards consensus. To set the stage for such eventualities and to facilitate the work of the **NBNCBC** each county Board of Supervisors has designated one of its supervisors to serve on the **NBNCBC Oversight Committee**. The members include:

<u>Marin County</u>	Supervisor Dennis Rodoni
<u>Mendocino County</u>	Supervisor Dan Hamburg
<u>Napa County</u>	Supervisor Diane Dillon
<u>Sonoma County</u>	Supervisor Lynda Hopkins
At-Large	NBNCBC Project Manager Tom West

The **NBNCBC Oversight Committee** met on February 16, 2017 to review and discuss the **Internet For All Now Act Working Proposal**, developed by the California Emerging Technology Fund (CETF) in collaboration with partners. It was our understanding the CETF **IFAN Proposal** was to form the nucleus for AB 1665. Due to its review the three members present (Supervisors Dennis Rodoni-Marin, Dan Hamburg-Mendocino, and Lynda Hopkins-Sonoma (Diane Dillon-Napa was not able to attend) concluded the CETF **IFAN Proposal** had several major flaws that make the majority of our underserved and unserved communities ineligible for state funding under the CASF program. These flaws would make a bill based on this proposal unacceptable to **NBNCBC** without major amendments. Therefore, the **NBNCBC Oversight Committee** adopted a redlined version of the CETF **IFAN Proposal** that included several significant changes.

When AB 1665 was officially introduced on Friday February 17, 2017, we noted it did not contain much of the content of CETF **IFAN Proposal**. Based on our assessment of the CETF **IFAN Proposal**, we recommend four major language changes to AB 1665.

- Both **Unserved and/or Underserved areas** must be eligible for CASF Infrastructure grants.
- The CASF Program goal must to reach 98 percent of all households **statewide and in each county**.
- The CPUC should adopt the **FCC standards of 25 Mbps downstream and 3 Mbps upstream**.
- Broadband services must be provided over wireline or fixed wireless technologies, as defined by the FCC (**mobile wireless deployment does not qualify**).

In the following pages **NBNCBC** provides our recommended amended language to AB 1665. Your consideration of our recommendations would be very much appreciated.

On behalf of **NBNCBC** we are available to answer any questions and/or provide additional information.

**NBNCBC PROPOSED AMENDMENTS AND ADDITIONS TO
AB 1665 Internet For All Now Act (IFAN)- 2/17/17**

ADOPTED by the NBNCBC Oversight Committee--FEBRUARY 16, 2017

The following are NBNCBC's key recommended changes to the existing language in AB 1665.

SECTION 2 The Legislature finds and declares all of the following:

(a) (page 2) Replace the existing paragraph with the following---
"The availability of high-speed Internet access, referred to generically as "broadband advanced communications services" including both wired and fixed wireless technologies, as defined by the Federal Communications Commission (FCC), is essential 21st century infrastructure for economic competitiveness and quality of life. Economic studies confirm that the use of broadband advanced communications services technologies increases economic productivity as a foundation for increased efficiency in organizational operations and enhanced profitability in business."

COMMENTS: NBNCBC believes it must be made clear that mobile wireless does not qualify as a solution for broadband access to households, businesses and anchor institutions. It is important but complimentary to wireline and fixed wireless connectivity. NBNCBC also recommends California adopt the definitions and speed standards of the FCC."

SECTION 3 (page 3) Section 281 of the Public Utilities Code is amended to read:

Somewhere in this section add the following statement---

"The commission shall adopt the FCC broadband speed standards and definitions for served, underserved and unserved areas. The current FCC standards of 25 Mbps downstream and 3 Mbps upstream replace the current CPUC standards.

COMMENT: NBNCBC recommends California adopt the speed standards of the FCC, if it is serious about being the global leader in the deployment and adoption of broadband.

(b) (1) (page 3) Replace the current paragraph with the following—
“The goals of the program shall be to achieve by December 31, 2027 deployment of and adoption of the use of broadband technology for high-speed Internet access by 90 percent of all households statewide with no significant population segment less than 80 percent.”

COMMENT: NBNCBC endorses the goals stated in the CETF proposal. However, NBNCBC also believes the 98 percent deployment goal should be both statewide and in each county.

(b)(2) (page 3) Add the words “and/or underserved” to the phrase in this paragraph—
“provide last-mile broadband access to households that are unserved and/or underserved by an existing facilities-based provider.”

COMMENT: NBNCBC believes in order for rural network developers to achieve the scale economies needed to deploy sustainable new networks in our low density areas, both under- and un- served locations and communities must remain eligible for funding. If near exclusive priority is assigned to unserved areas, particularly if the language stating that underserved areas must be adjacent to unserved locations for eligibility, a patchwork or ‘leopard spot’ approach to funding will be mandated. Such an approach will deny operating scale to rural providers. The status quo in the current CASF Program provides the necessary mix of under- and un- served eligibility that delivers the economic incentives to rural providers necessary to build in our rural areas.

(e)(2)(A) (page 5) Add the word “fixed” to the phrase in this paragraph—
“include both wireline and fixed wireless technologies”

COMMENT: Same as point made above.

(e)(2)(C) (bottom page 5) Replace the current paragraph with the following—
“The commission shall consult with County Board of Supervisors, Regional Consortia representing one or multiple counties, and stakeholder and consumer groups regarding priority areas and cost-effective strategies to achieve the broadband access goal throughout California.”

COMMENT: NBNCBC recommends those county Boards of Supervisors with broadband development as a county infrastructure policy concern should be consulted by the Commission.

(e)(3) (page 6) Replace the phrase “as defined in commission Decision 12-02-015” with the following phrase---
“ as defined by the FCC and adopted by the commission”

COMMENT: NBNCBC recommends the commission move immediately to adopt the FCC speed standards of 25 Mbps downstream and 3 Mbps upstream as well as the FCC definitions for served, underserved and unserved. These actions are essential to ensuring California is positioned for any federal funding and to ensure that its economy remains competitive recognizing broadband as a pillar of the economy.

(e)(3)(A) (page 6) Replace this paragraph with the following---

“That projects under this paragraph provide last-mile broadband access to households that are unserved and/or underserved by an existing facilities-based broadband provider and only receive funding to provide broadband access to households that are unserved or underserved, as defined by the FCC and adopted by the commission.”

(e)(3)(B) (page 6) Replace this paragraph with the following---

“That funding for a project providing broadband access to an unserved or underserved household shall not be approved until after an existing facilities-based provider has an opportunity to demonstrate to the commission it already provides service at the standards or is in the process of upgrading the existing service to the standards.”

COMMENT: NBNCBC believes there should be a level playing field. Existing facilities-based providers should have to show that the service currently exists or is under constructions. Giving them an open-ended time to upgrade is not reasonable.

The above amendments represent NBNCBC’s major recommended changes to AB 1665. We do have additional suggestions for language on details, but decided to hold them for a later discussion.