Broadband Allianceof Mendocino County

Date: May 16, 2012 **To**: Interested Parties

Subject: Notice of Opportunity: Route 1 Corridor Project

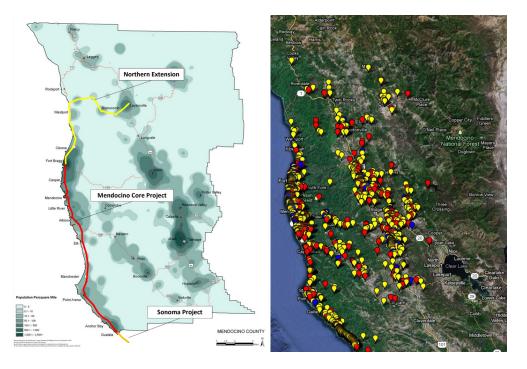
Reference: Update to California Public Utilities Commission Rulemaking 10-12-008, decision

implementing broadband grant and revolving loan program reimbursement rates

The Broadband Alliance of Mendocino County wishes to inform you of a broadband deployment grant opportunity in Mendocino County. A recent decision by the California Public Utilities Commission (CPUC) radically changes the funding structure for certain broadband deployment grants by the California Advanced Services Fund (CASF). Historic funding rates of 40% have been increased to 60% for underserved areas, and 70% for unserved areas.

http://docs.cpuc.ca.gov/PUBLISHED/FINAL DECISION/138087.htm

The Alliance has identified a potential CASF grant opportunity in coastal Mendocino and Sonoma counties, along the Route 1 corridor. Alliance mapping results show that a significant portion of unserved or underserved Mendocino County is within the Route 1 corridor.



The Route 1 Corridor Project is envisioned as a middle-mile fiber backbone starting on Route 101 at Laytonville, running west to Route 1 along Branscomb Road, running down the Route 1 corridor along the Mendocino and Sonoma coasts, and rejoining Route 101 at Petaluma. Last-mile deployments along the route are to be included in the project.

Separate grant applications for the northern connection to Route 101, the Mendocino coast, and the Sonoma coast to Route 101, might be made, or a single unified application might be made for the entire project.

The Alliance will facilitate communication among possible middle-mile vendors and possible last-mile providers. Middle-mile vendors who would like to be apprised of possible last-mile providers, or last-mile providers who would like to be put in contact with possible middle-mile providers, should send email to AdminCoordinator@MendocinoBroadband.org. We will compile a list of interested last mile providers, and share it with interested middle-mile providers.

The Alliance will be helping to develop supporting demographic information about this project, and will make it available to interested vendors as it becomes available. Vendors interested in receiving updates should notify AdminCoordinator@MendocinoBroadband.org.

Providers needing assistance with preparing grant applications are encouraged to contact the Alliance.

FOR IMMEDIATE RELEASE

PRESS RELEASE

Media Contact: Terrie Prosper,415.703.1366, news@cpuc.ca.gov

Docket #: R.10-12-008

CPUC ENHANCES BROADBAND DEPLOYMENT GRANT PROGRAM

SAN FRANCISCO, February 1, 2012 - The California Public Utilities Commission (CPUC) today made enhancements to the California Advanced Services Fund (CASF), its ground-breaking program to bring high-speed broadband Internet service to unserved and underserved communities in California and spur job creation, economic growth, and social benefits.

Senate Bill (SB) 1040 increased the size and scope of the original CASF from \$100 million to \$225 million; allocating an additional \$100 million to the CASF Broadband Infrastructure Grant Account and \$15 million to the CASF Broadband Infrastructure Revolving Loan Account to build broadband infrastructure throughout the state. Today's decision implements SB 1040 and adopts the following enhancements to the CASF program:

Increases the maximum size of a CASF grant award from 40 percent matching to 70 percent matching of project costs for unserved areas and 60 percent for underserved areas.

Requires applicants to increase Internet speeds from an advertised 3 mbps download and 1 mbps upload to advertised speeds of 6 mbps download and 1.5 mbps upload.

Requires applicants to have a plan to encourage adoption and sustainability of the broadband service in the project area (i.e., how does the applicant plan to attract households to sign-up for the service).

Using the same project and applicant eligibility requirements as the Infrastructure Grant Program, the Revolving Loan Program will provide supplemental financing for projects also applying for CASF grant funding.

Said CPUC President Michael R. Peevey, "I am pleased we made these enhancements to the California Advanced Services Fund. We created this program to ensure that all consumers in the state, especially low income and those in rural areas, have access to the Internet in order to more fully participate in society."

Said CPUC Commissioner Timothy Alan Simon, "The ultimate goal of our

broadband grant programs is broadband adoption - connecting people to the Internet. I am pleased that this Decision references a goal of 80 percent broadband adoption, and that grant applicants will have to submit a plan for reaching their adoption targets. As with all our public programs, our broadband infrastructure grant program should use performance-based evaluations, so that we can determine the real output of those dollars and maximize ratepayer value."

The application deadlines for the CASF Broadband Infrastructure Grant Program and the Revolving Loan Program are:

May 15, 2012, for unserved areas;

September 11, 2012, for underserved areas not previously funded by the CASF and hybrid projects that cover both unserved and underserved areas (not partially funded by CASF) encompassing a single contiguous group of Census Block Groups; and,

To be determined for projects in underserved areas where the existing broadband infrastructure was partially funded by a CASF grant.

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 unserved and underserved by broadband.

An unserved area has no land-line or wireless broadband, such that Internet connectivity is available only through dial-up service. An underserved area already has broadband service, but at speeds less than 6 mbps download and 1.5 mbps upload.

In September 2010, the two-year CASF was extended indefinitely when Senator Alex Padilla's (D-Pacoima) Senate Bill 1040 was signed into law by Governor Brown. Today's CPUC action implements provisions of that law. The legislation also authorized the creation of the \$10 million Rural and Urban Regional Broadband Consortia Grant Program to help communities throughout the state promote adoption of broadband services by all consumers.

The decision voted on is available at http://docs.cpuc.ca.gov/WORD PDF/AGENDA DECISION/158487.pdf.

For more information on the CPUC, please visit <u>www.cpuc.ca.gov</u>.

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