BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding Broadband Infrastructure Deployment and to Support Service Providers in the State of California.

Rulemaking 20-09-001

COMMENTS OF THE OFFICE OF THE MAYOR, CITY OF LOS ANGELES, REGARDING ASSIGNED COMMISSIONER'S RULING

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September 3, 2021

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Rulemaking 20-09-001

RE: Order Instituting Rulemaking Regarding Broadband Infrastructure Deployment and to Support Service Providers in the State of California (Rulemaking 20-09-001)

Dear Members of the California Public Utilities Commission,

As Deputy Mayor for Budget and Innovation of the City of Los Angeles, I write to provide comments in response to the August 6, 2021, Assigned Commissioners Ruling, pursuant to the recently enacted Senate Bill (SB) 156, which opens a public comment process to collect recommendations for the locations for a statewide open-access middle-mile broadband network.

Throughout California, there are hundreds of disconnected communities, each facing unique barriers that prevent their residents from fully participating in today's digital economy and society, from learning and earning to their best ability. As the head of budget policy and administration for the Mayor of the largest city in the state, I understand and appreciate the challenges of allocating limited resources among a large and highly diverse population. I commend you on your efforts thus far to identify where investments could be best made to bridge the greatest infrastructural divides.

However, I have grave concern over a proposed network map that leaves the largest and highest-density concentration of disconnected and under-connected households in the state untouched. Your current proposal is based on information that appears to indicate that the City of Los Angeles -- including its high-need southeast and northeast valley communities -- is adequately served with high-speed internet infrastructure. This is simply not supported by our data, and the large number of households who are disconnected. Given the scale of the population in our city at risk of being overlooked, I respectfully ask that you thoroughly investigate the veracity of this data and that you consider additional criteria beyond simple geographic coverage of existing private sector middle-mile networks.

On the following pages, I have laid out our city's comments in response to the questions presented by the Commission. I greatly appreciate the opportunity to provide these comments, and, on behalf of the City of Los Angeles, I thank you in advance for your consideration of our input.

Sincerely,

Janne blohm_

JEANNE HOLM Deputy Mayor of Budget and Innovation Office of Los Angeles Mayor Eric Garcetti

Comment 1: More Research, Data Collection, and Transparency is Necessary to Verify Capacity of Existing Middle Mile Infrastructure_

Without clarity into the data sources and methodology used to determine the number of households "unserved" by 100Mbps infrastructure, we cannot comprehensively comment on the determination that 98.2% of households in L.A. County are adequately served. However, even when considering the County's relatively highly developed middle-mile infrastructure (in comparison to rural areas), over 98 percent is unrealistically high. The determination that the City of Los Angeles only has a little over 12,500 households unserved (less than 1% of households) seems even more unrealistic. According to 2019 American Community Survey data, the City of Los Angeles has over 170,000 households that currently lack broadband access. For example, during COVID, the City identified 27,000 households with school age children alone that were unserved by middle mile infrastructure and students were left unable to virtually attend school.

While affordability and literacy are likely the greatest contributors to the digital divide within our communities, infrastructural barriers cannot be ruled out without more information. Additionally, given very high population densities in the City of Los Angeles -- particularly in those areas with high percentages of disconnected or under-connected households -- a significant increase in broadband service adoption would require a significant increase in infrastructural capacity. Without knowing the idle capacity of existing middle-mile infrastructure, the need for additional capacity cannot be assessed.

One of the most glaring examples of infrastructure need in direct contrast to the apparent urban build is our public housing sites. For years, residents have complained of lack of internet service, in terms of speed and reliability, despite being covered by the local ISP. The pandemic exacerbated this issue, prompting the City of L.A. and its Housing Authority to seek out new options and solutions and ultimately partnered with a high-speed internet provider using non-traditional technology. Through the process, we heard testimonials from residents who were receiving broadband internet services to their homes *for the first time ever* (even though an ISP serving that area declared that broadband was available), highlighting the impact of the unique barriers faced by residents and particularly low-income residents.

This data also needs to be future proofed. Upload and download speeds that might have been acceptable a few years ago, are not usable today. With the persistent pandemic, increases in e-learning and telework, and increasing bandwidth consumed by learn and work applications, data speeds need to be revisited annually. This is particularly problematic in densely populated areas like Los Angeles, where some chains of the infrastructure will be serving 100,000-1,000,000 households and need to be designed for strength, capacity, surge, load balancing, and redundancy. The middle mile must be designed for 10-20 year timeframes and made with a flexible service architecture. The State should revisit and recalculate speed requirements annually.

We request that before any decisions are made all relevant data sources and methodologies are made publicly available. If possible, this would include providing maps of existing middle-mile routes. We request that additional research be conducted to assess the capacity and potential for open-access (including affordability) of existing middle-mile routes. As noted in the rulemaking letter, this should include data requests for at a minimum: service term sheets, rates, approximate dark fiber, lit fiber, and conduit capacity.

Comment 2: Transparent Methodologies Should Guide Identification of Priority Areas

On the map of proposed Anchor Build Fiber Highway routes provided, the City of Los Angeles is largely left unsupported by the proposed routes. Routes are especially absent from the areas of the City with the highest density of households with no broadband access (see Map A below). While we do not know the full methodology used to select the routes, it appears that it may simply be related to Los Angeles's large borders and land area. The centroid for the City of Los Angeles is located just north of the City of Beverly Hills, which may falsely indicate that the City's residents would be adequately served by an Anchor Build

Fiber Highway route along the 405 freeway. Households in this area along the 405 have a higher income and have been traditionally better served by ISPs. However, the highest densities of disconnected households are in the eastern and southern areas of Los Angeles and these areas are not addressed in the plans. As you can see from the map, the proposed routes almost completely negate and avoid the areas of most need. This is exactly the type of digital redlining that has gotten the State into the situation of needing to solve this issue and to do so in a way that includes and supports communities traditionally excluded and that are often communities of color.

We request that before any decisions are made, the mapping and calculation methodologies used for selecting the proposed highway routes be made publicly available. Additionally, we request that analysis be conducted at the census tract level to avoid the potential for the issue noted in the paragraph above.

Comment 3: Partnerships With Other Jurisdictions Should be Explored for Building or Leasing New Middle Mile Capacity

The City of Los Angeles FY21-22 budget includes an unprecedented investment of approximately \$15M in broadband and digital inclusion efforts, as part of an ongoing exploration of expanding the City's role in internet infrastructure and service provision. Relatedly, the City is currently project planning for an approximately \$2 million Community Development Block Grant investment into WiFi infrastructure on City street lights as a way to expand our City-owned infrastructure. As part of these efforts and investments, the City has been exploring opportunities to co-locate new City-owned fiber infrastructure buildout with existing or planned City infrastructure (including electrical) or to partner with other agencies such as LA Metro, which is undertaking large transportation projects throughout the City and County. We are also coordinating with LAEDC, LAUSD, and L.A. County on regional strategic planning for infrastructure and other digital inclusion efforts.

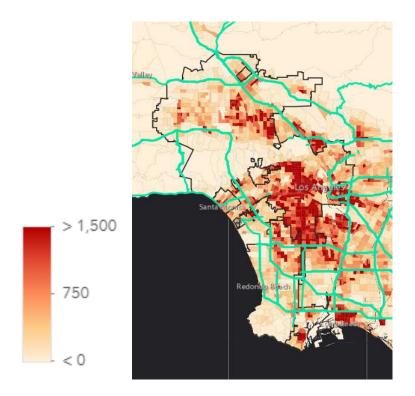
We believe that these and other local investments and efforts (underway, shovel-ready, and planned) represent significant opportunities to partner with the State on the buildout of an open-access middle-mile broadband network, beyond the State highway network or private-sector internet infrastructure. These opportunities could provide for cost-sharing for both capital construction and maintenance. We request that such opportunities be considered when evaluating potential routes and projects.

Comment 4: Middle Mile Infrastructure Should Be Publicly Owned Where Possible

We also believe that, where possible, middle-mile infrastructure should be publicly owned in order to assure true open-access for all users of the infrastructure. Public open access can address issues of equity for new entrants to the field, innovative ideas to serve communities in need, be able to address households' need regardless of the ability of those in the community to pay higher fees, and to do so in a way that addresses net neutrality and other persistent issues. Public ownership also allows those serving low-income communities access that accommodates the need for public good and equity over profit.

In the same way that lifeline services are provided for telephony, public ownership of the middle mile lets us address the need for affordability. Local jurisdictions would be able to provide offsets through either general fund, donations, grants, or other financial tools that would be unavailable or not of interest to commercial companies. This is a further reason that we request that partnerships with other jurisdictions (including local agencies) be fully explored when considering new investments in capacity.

Map A: Density of Households Without Broadband Access (Households Per Square Mile) in Comparison to Proposed Anchor Build Fiber Highways *Source: US Census ACS 2019 5 Year*



Dated: September 3, 2021

Respectfully submitted,

<u>/s/</u> Jeanne Holm Jeanne Holm Deputy Mayor of Budget and Innovation Office of Los Angeles Mayor Eric Garcetti Tel: (213) 922-9771 E-mail: Jeanne.Holm@LACity.org