

**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
(Filed September 10, 2020)

**REPLY COMMENTS OF PLUMAS-SIERRA TELECOMMUNICATIONS
IN RESPONSE TO THE REQUEST FOR ADDITIONAL COMMENTS AS
PART OF MIDDLE-MILE DATA COLLECTION**

October 15, 2021

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I. INTRODUCTION

Pursuant to Rule 6.2 of the Commission's Rules of Practice and Procedure, Plumas-Sierra Telecommunications (PST) submits these comments in response to the request for additional comments as part of middle-mile data collection.

II. DISCUSSION

A. Ensuring California's Landmark Broadband Investment Reaches All Corners of the State

There are three areas PST believes would improve the success rate for broadband access throughout California.

- 1) Expanding the type of cooperatives that are eligible for funding and allocating technical assistance funds for cooperative development.

The electric cooperative model is demonstrative of how successful rural utility service can maximize benefit to the rural consumer. However, electric cooperatives are unique in that they are limited to where they can serve. Changes are needed to expand and develop new cooperatives: Subsidiaries are used to expand an electric cooperatives' footprint. Electric cooperative subsidiaries and new broadband cooperatives should also be considered eligible for state support, including access to the loan loss reserve, technical support, state-supported network engineering, CASF and other grants and programs.

Broadband Cooperatives (501(c)12 per IRS code) should be eligible for state of California support, if they comply with model conflict of interest policies developed by the middle-mile entity, mirroring the standard conflict-of-interest and disqualification provisions under the Political Reform Act of 1974.

Kick-start the development of broadband cooperatives by allocating technical assistance funding for feasibility studies and test cases for community broadband cooperatives.

- 2) Modifications to the new middle-mile entity being created by the State to support and provide oversight of new entrants.

The electric cooperative model was successful because of the public-private partnership with the USDA Rural Utilities Service. This partnership provided both low-interest financing as well as robust oversight of both financial health as well as safe, standardized system design criteria. Standardization cuts costs and enables mutual aid and repairs to be expedited after natural disasters. Strong financial oversight and robust conflict of interest policies must accompany the distribution of public funds to ensure the benefit reaches the consumer. We encourage lawmakers to create a statewide agency that can provide both oversight and technical guidance. The state's middle-mile entity(ies) needs to provide:

- Feasibility and design support.
- Technical assistance, including network engineering for all eligible last-mile providers.
- Start-up funds, capital expense support, and operating expenses (grant/loan combinations) for the early days of any non-profit or government entity as their business grows. Repayment over time allows community-based models to thrive. (This can be from either CASF funds or the Middle Mile entity.)
- As part of the technical assistance program, network engineering should be encouraged at the high school and community college level.

3) Allow for new competition.

California's community-focused model will be successful if we level the playing field to enable new entrants to thrive. Some recommendations include:

- Support open competition for service agreements with state agencies. The California procurement systems need to be amended to allow open competition for state contracts.¹

¹ The State of California prisons are underserved near Susanville, but PST isn't eligible to offer service. At a federal prison, the capacity was increased by 100-fold for no increase in cost when PST was allowed to bid. Requirements

- Conduit should be reciprocal open-access and cost-based.
- Open access for use of fiber-optic should be at cost-of-service rates if they use public rights-of-way and road rights-of-way and/or receive public funds. We believe the CPUC should enforce reciprocal open access on a cost-of-service basis.
- Incumbent carriers should be required to prepare a report on telephone cable capacity on a five-year rotating basis with CPUC designated unserved and underserved areas reviewed first. Copper cables should be reduced in size on poles if being under-utilized. The space created through consolidation and or removal of abandoned copper cables on poles would create a fiber path to deliver broadband on existing infrastructure already in place.²
- Cable TV companies must allow shared conduit for existing and new builds. They are currently not required to sell surplus conduit space.

B. Additional Suggestions to Support Broadband Availability – Via the Middle-Mile Entity or the CPUC

- CalTrans needs to have utility coordination meetings bi-monthly to discuss upcoming projects and what stage of engineering they are in. When in doubt, CalTrans or the middle-mile entity should place conduit when building projects.
- Microduct installation by the State should be leased to ISPs along the highways, rather than having each carrier propose or build their own duct in the projects.

for carriers should be called out in the bidding period and elimination of antiquated “tier” rating system abolished to allow more competition. The fact that most of these contracts only go to the original local carrier is wrong. Many state and federal agencies are still connected via antiquated T-1 connections when other carriers offer fiber. New carriers cannot compete because the process is so tilted in favor of legacy service.

² PST attempted to run service to a location, but was forced to pay \$250,000 to dig because the power poles were overloaded with incumbent provider cables. Later, we found out that the cable owned by the incumbent provider that blocked us only had 6 active customers on it that easily could have been moved to other cable on the same pole. As people abandon Plain Old Telephone Service (POTS) aka “land lines,” there are many cables on power poles that are under-utilized. Yet incumbents don’t migrate customers to fewer cables and reduce loading because they don’t have to, and want to obstruct access to poles. The impact on broadband to California is significant. The incumbents should be required to focus first on cable loading in unserved and underserved census blocks.

Leasing State-owned microducts to ISPs helps recover construction costs and charging a maintenance fee creates an additional revenue stream for the State.

- Microtrenching should be required wherever feasible.
- Points of Presence (POP's – interconnection sites) could be built on state land with the state charging fees for access and interconnection, recovering construction costs. Purchasing land and getting easements are a large challenge for carriers and this would eliminate some of those challenges for construction.
- The state could create new logistics support centers for the broadband initiative. These centers could be located at facilities that the state already owns that are closed or closing. This would have a huge economic impact to the communities in the area, creating jobs and leveraging the State's procurement power to obtain and distribute construction materials.
- Investor-owned utilities should be required to put in conduit and pull boxes as they underground electric service and offer this back to all new entrants (with interduct in place).
- Pull boxes should be required to have multiple sections that can be leased just like conduit (lockable) and placed at the time of construction. Not just standard boxes that would have to have a "new" box placed near the first one for a splice. Most companies prohibit FOSC's (fiber optic splice cases) in their manholes and handholds for security and liability issues. Build the fiber path properly the first time and eliminate having to do more construction in the same areas repeatedly.
- The state of California and most local authorities need a Dig-Once Policy.
- All conduit in public rights-of-way should contain at least 7 interduct/microducts.
- Require open access and cost-based rates for others using this State-owned conduit.

III. CONCLUSION

PST thanks the Commission for its time and effort to expand broadband access in California, and for the opportunity to file these comments.

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Respectfully submitted,

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