

# Appendix 1

## APPENDIX 1

### Broadband Public Housing Account

### Revised Application Requirements and Guidelines

#### I. Background

Senate Bill (SB) 156 was signed into law on July 20, 2021.<sup>1</sup> SB 156 made significant changes to the Broadband Public Housing Account (BPHA) that require funds be made available for grants and loans to finance projects to build broadband networks offering free broadband service for residents of low-income communities.

#### II. Grant Funding

The Commission will award grants to finance up to 100 percent of the costs to install inside wiring and broadband network equipment but will not finance operations and maintenance costs through this program.

The Commission will reimburse the following project-related expenses after a review of the project progress or completion reports and supporting documentation:

- All broadband networking equipment (hardware and software), wireless access points, wireless bridge(s), modem(s), switches, router(s), and firewall(s) for network security but not personal computers, laptops, handheld or human interface devices.
- Low voltage contracting work including the installation of inside wiring, network cabinets, NEMA boxes,<sup>2</sup> conduits, patch panels, cable tray or ladders, and other cabling requirements to provide power and connectivity for the broadband network equipment funded as part of the project. Major rehabilitation, demolition or construction work will not be funded.
- Broadband network engineering and designing documentation.
- Hardware warranty of broadband network equipment as needed.

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<sup>1</sup> SB 156 is codified at Pub. Util. Code Section 281 et seq.

<sup>2</sup> The National Electrical Manufacturers Association defines standards used in North America for various grades of electrical enclosures typically used in industrial applications

- Installation, provisioning, and configuration labor costs at the Minimum Point of Entry (MPOE), MDFs (Main Distribution Frame), IDFs (Intermediate Distribution Frame), WAPs (Wireless Access Point), Wireless Bridges such as P2P and P2MP (Point to Point and Point to Multi-point) Radios, Switched Ethernet, and xDSL (Digital Subscriber Line) modems.
- Taxes, shipping and insurance costs (if applicable) that are directly related to broadband network equipment deployed under the BPHA.

For wireless networking projects, equipment must meet at least the 802.11AC Wave2 (WiFi-5 wave2)<sup>3</sup> or 802.11ax standard.<sup>4</sup> Staff will accept applications that rely on 802.11n technology<sup>5</sup> to the extent that the applicant can demonstrate that this equipment was purchased prior to the issue date of the decision adopting these Guidelines. For wireline networking projects, equipment must meet at least DOCSIS 3.1,<sup>6</sup> VDSL<sup>7</sup>

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<sup>3</sup> Wi-Fi standard, also known as Wi-Fi 5 wave2 or 802.11ac wave2, is a wireless networking standard that operates on 2.4 GHz and 5 GHz frequency bands providing high-throughput wireless local area networks, introduced by the Wi-Fi Alliance in 2016

<sup>4</sup> Wi-Fi standard, also known as Wi-Fi 6/6E, that operates on 2.4 GHz, 5 GHz and 6 GHz frequency bands, maintained by the Institute of Electrical and Electronics Engineers IEEE 802.11 working group. [https://www.ieee802.org/11/Reports/tgax\\_update.htm](https://www.ieee802.org/11/Reports/tgax_update.htm)

<sup>5</sup> A widely used wireless computer networking protocol standard by IEEE (The Institute of Electrical and Electronics Engineers) for Wi-Fi communication that operates on 2.4 GHz and 5 GHz frequency bands.

<sup>6</sup> The Data Over Cable Service Interface Specification (DOCSIS) is a widely used broadband data transfer standard using cable systems, originally used to transmit cable television signals, for Internet Protocol (IP) data services. Originally released by CableLabs in 2013, DOCSIS is an internationally accepted telecom standard by the ITU Telecommunication Standardization Sector (ITU-T).

<sup>7</sup> Very high-speed digital subscriber line (VDSL) is digital subscriber line (DSL) technology providing data transmission of up to 52 Mbit/s and 16 Mbit/s per ITU Telecommunication Standardization Sector (ITU-T) G.993.1 standard, faster than the earlier standards of asymmetric digital subscriber line (ADSL) G.992.1, G.992.3 (ADSL2) and G.992.5 (ADSL2+).

or the 100BASE-X standard.<sup>8</sup> If and when the FCC<sup>9</sup> specifies a higher speed benchmark than the current 25 Mbps down and 3 Mbps up statutory definition of advanced telecommunications capability speed benchmark, applications using DSL technology submitted three months after the issue date of that report, and thereafter, will not be accepted.

### **III. Definitions**

A “dwelling unit” is a structure or the part of a structure that is used as a home, residence, or sleeping place by one person who maintains a household or by two or more persons who maintain a common household. Also referred to as a residential unit throughout.

“Farmworker housing” is housing that is consistent with the definition of “farmworker housing” set forth in California Health and Safety Code Section 50199.7 (h), which includes the requirement that “farmworker housing” means housing in which at least 50 percent of the units are available to, and occupied by, farmworkers and their households.

“Free broadband service” means broadband service that meets or exceeds state standards for the residents of a low-income community, and for which residents of the low-income community do not pay out-of-pocket costs, and provided that all residents of the low-income community have access to that service.

“Inside Wiring” means telephone wiring inside a residential unit or multi-dwelling unit (MDU) building. To the extent that this definition is applied to a mobilehome park or other development that may have resident-owned units, this inside wiring definition excludes any inside telephone wiring installed in a

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<sup>8</sup> Fast Ethernet is a variation of Ethernet standards that carry data traffic at 100 Mbps, under the IEEE 802.3u standard by the Institute of Electrical and Electronics Engineers (IEEE). 100 represents its maximum throughput of 100 Mbit/s, BASE indicates its use of baseband transmission, and X indicates the type of medium used.

<sup>9</sup> Section 706 of the Telecommunications Act of 1996, as amended (1996 Act), requires Federal Communications Commission (FCC) to “determine whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion” and report annually. Telecommunications Act of 1996 | Federal Communications Commission (fcc.gov) ; Telecommunications Act of 1996, Pub. L. No. 104-104, § 706(b), 110 Stat. 153 (codified at 47 U.S.C. S 157 note) (1996 Act).

residential unit or MDU building that is not owned by the mobilehome park or other development.

A “low-income community” is a publicly supported housing development or farmworker housing, as defined herein.

A “minimum point of entry” (MPOE) is either the closest practicable point to where wiring crosses a property line or the closet practicable point to where the wiring enters a MDU building or buildings.

“Project” means the work to connect a broadband network to a low-income community, as defined herein, that is requesting or has been authorized funds for a grant under one application from the BPHA.

A “service connection” means wire or cable or wireless transmission equipment, and associated supporting structure, from the point of connection from the provider’s distribution facilities to the customer premises network interface device. A service connection serves only the property on which it is located.

For the purposes of the BPHA, the “state standard” for broadband service is a network that is able to provide a minimum of 25 Mbps download and 3 Mbps upload service for an average user during peak and off-peak hours.<sup>10</sup> If and when the Federal Communications Commission's annual broadband deployment report<sup>11</sup> specifies a higher speed benchmark than the current 25 Mbps down and 3 Mbps up statutory definition of advanced telecommunications capability speed benchmark, applications submitted three months after the issue date of that report, and thereafter, must, at minimum, meet the speed benchmark specified by that report as the "state standard".

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<sup>10</sup> Peak hours mean 7 p.m. to 11 p.m. local time. ; <https://www.fcc.gov/reports-research/reports/measuring-broadband-america/measuring-fixed-broadband-eleventh-report>

<sup>11</sup> Section 706 of the Telecommunications Act of 1996, as amended (1996 Act), requires Federal Communications Commission (FCC) to “determine whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion” and report annually. Telecommunications Act of 1996 | Federal Communications Commission ([fcc.gov](http://fcc.gov)) ; Telecommunications Act of 1996, Pub. L. No. 104-104, § 706(b), 110 Stat. 153 (codified at 47 U.S.C. S 157 note) (1996 Act); Broadband Progress Reports | Federal Communications Commission ([fcc.gov](http://fcc.gov)) ; FCC Annual Broadband Report Shows Digital Divide Is Rapidly Closing | Federal Communications Commission and <https://docs.fcc.gov/public/attachments/FCC-21-18A1.pdf>

“Publicly supported” means either that the housing development receives financial assistance from the United States Department of Housing and Urban Development (HUD) pursuant to an annual contribution contract or is financed with low-income housing tax credits, tax-exempt mortgage revenue bonds, general obligation bonds, or local, state, or federal loans or grants and the rents of the occupants, who are lower-income households, do not exceed those prescribed by deed restrictions or regulatory agreements pursuant to the terms of the financing or financial assistance.

“Publicly supported housing development” is a publicly supported multi-unit housing development that is wholly owned by either of the following:

- (i) A public housing agency that has been chartered by the state, or by any city or county in the state.
- (ii) An incorporated nonprofit organization as described in Section 501 (c)(3) of the Internal Revenue Code (26 U.S.C. Sec. 501(c)(3))<sup>12</sup> that is exempt from taxation under Section 501 (a) of that code (16 U.S.C. Sec. 501(a)) and that has received public funding to subsidize the construction or maintenance of housing occupied by residents whose annual income qualifies as “low” or “very low” income according to federal poverty guidelines.

#### **IV. Eligible Applicants**

An applicant is eligible for a BPHA award if it is a low-income community as defined in Section III above and if it does not have access to any broadband service provider that offers free broadband service that meets or exceeds state standards for the residents of the low-income community, also as defined in Section III.<sup>13</sup>

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<sup>12</sup> Non-profit housing developers involved in limited partnerships with for-profit entities participating may also be eligible since the IRS considers an exempt organization's participation as a general partner in a limited partnership with for-profit limited partners as consistent with the organization's exempt status under Internal Revenue Code Section 501(c)(3).

<sup>13</sup> Pub. Util. Code, § 281(i)(3).

## **V. Information Required from Applicants**

Applicants must submit the following information to the Commission for each proposed project. Application forms can be found on the CASF BPHA webpage. Applications and supporting material must be submitted online. Staff will post a list of applications submitted by the deadline on the CASF webpage.

Applicants are required to provide the following information as part of their respective applications. Applications that do not include each item listed below will not be considered for approval.

### **1. Funds Requested**

The applicant must indicate the amount of funding requested.

### **2. Project Location**

The applicant must include a physical address for each project location along with an image of the location on the map. The Commission will accept a screenshot image from online maps or similar images.

### **3. Key Project Contact Information**

- First name
- Last name
- Physical mailing address
- E-mail address
- Phone number(s)

### **4. Key Management Contact Information**

- First name
- Last name
- Position title
- E-mail address
- Phone number(s)

### **5. Key Vendor Contact Information (if applicant has identified vendor)**

- First name
- Last name
- Position title
- Company name
- Physical mailing address

- E-mail address
- Phone number(s)

#### **6. Assertion of Community need for Affordable Broadband Service that Meets State Standards**

An applicant must attest to whether the low-income community that will be connected through the proposed project has access to a broadband internet service provider that offers the community residents free broadband service that meets or exceeds state standards, as defined in Section III.

#### **7. Proposed Project Description**

An applicant must provide a detailed description of the broadband project that will be funded under the CASF BPHA program, including but not limited to the elements listed below.

- a. Detailed broadband project plan proposal that includes:
  - The type of technology that will be used on the project with all technical specifications, network topology, schematic diagram, engineering, and design documentation.
  - Project plan showing the number of residential units in the low-income community to be connected.
  - Entities that will provide broadband Internet service on the project site (E.g., The type of Internet service and the bandwidth offered by a named ISP)
  - Download and upload data rate/speed capabilities for an average user within the property at a given time of peak and off-peak hours must meet at least 25 Mbps downstream and 3 Mbps upstream (for an average user) or current state standard.
  - Project budget outlining all the budget costs, both actual line items and the matching funds.
- b. Actual budget cost line items proposed to be funded by the grant, including:
  - The cost for all eligible equipment as listed in Section II.
  - The cost for low voltage contracting work as described in Section II.
  - Broadband network engineering and designing cost with required supporting documentation.
  - The cost of any required hardware warranty for broadband network equipment.
  - The cost of installation, provisioning, and configuration labor as



described in Section II.

- Any applicable taxes, shipping, and insurance costs that are directly related to broadband network equipment deployed under the BPHA.
- c. Matching Funds to be provided by the application that include:
- Monthly recurring Internet bandwidth cost for the five-year project period, post-project completion.
  - Operations and Maintenance (O&M) cost to ensure the network and broadband services are operational for at least five years post completion of the project.
- d. Project milestones with a delineated deployment schedule that includes:
- A commitment timeline to complete the project within 12 months of Commission approval of the application.
  - The schedule identifying major prerequisites such as a detailed project plan with a timeline including low voltage construction, network installation, provisioning and configuration, testing, submission of closeout package with project completion report, and any other milestones that can be verified by the Commission staff.
  - While developing the schedule, the applicant must include the timeline required for California Environmental Quality Act (CEQA) or other relevant government agency permit review, if needed.
  - While developing the schedule, the applicant must include the timeline required for California Environmental Quality Act (CEQA) or other relevant government agency permit review, if needed.

### **8. Organizational Chart and Background**

The applicant must submit an organizational chart showing the parent organization, subsidiaries, and affiliates.

### **9. Economic Useful Life of Assets to be Funded**

The applicant must identify the expected economic useful life of the assets funded by the BPHA grant.

### **10. Commitment to Providing Broadband Service at No-Cost-to-Residents**

The applicant must attest to committing to offer broadband service that meets or exceeds state standards as defined by these Guidelines at no cost to residents of the low-income community(ies).

### **11. Permitting Compliance**

The applicant should state whether the project is statutorily or categorically

exempt from CEQA requirements and cite the relevant authority, as applicable. If a project does require review under CEQA, the grantee must provide the Proponent's Environmental Assessment (PEA) prior to the first 25 percent payment. The PEA submission should include information on any land crossing sites requiring discretionary or mandatory permits or environmental review pursuant to CEQA (include the type of permit required, the name of the permitting agency/agencies and the Lead Agency if an environmental review is required).

Additionally, applicants must include any applicable permit review timeline in its construction schedule, with a reference to the government agencies that will issue the permits. Grantees must provide staff with proof of permit approvals before seeking reimbursement.

## **12. Affidavit**

An applicant must submit an affidavit, under penalty of perjury, containing at minimum the following attestations, the final form of which will be made available on the Commission's website:

- Applicant agrees that by receiving a CASF grant, the grantee agrees to comply with the terms, conditions, and requirements of the grant and thus submits to the jurisdiction of the Commission with respect to the disbursement and administration of the grant.
- Applicant agrees to abide by the CASF program rules the Commission established as well as all other applicable state and federal rules and regulations concerning broadband services.
- Applicant agrees to abide by the Commission's Rules of Practice and Procedure and applicable statutes, and to be subject to Public Utilities Code sections 2108 and 2111.
- Applicant agrees that no officer, director, or partner of the Applicant or its Fiscal Agent has: 1) filed for bankruptcy; 2) was sanctioned by the Federal Communications Commission or any state regulatory agency for failure to comply with any regulatory statute, rule, or order; nor 3) has been found either civilly or criminally liable by a court of appropriate jurisdiction for violation of § 1700 et. seq. of the California Business and Professions Code, or for any action which involved misrepresentations to consumers, nor is currently under investigation for similar violations.
- Applicant affirms that the low-income community the project seeks to serve does not have access to free broadband service that meets or exceeds state

standards as defined in these Guidelines.

- Applicant agrees to provide broadband service that meets or exceeds state standards as defined by these Guidelines at no cost to residents of the low-income community the project is intended to serve upon project completion.

### **13. Applicant-Specific Documents and Information Required**

A publicly supported housing development applying for BPHA funds must include in its submission the Annual HUD Contributions Contract and HA Code, allowing staff to verify its certification along with its most recent HUD Public Housing Assessment System (PHAS) score. A publicly supported housing development that is not in contract with HUD must include in its submission the program details of the publicly supported housing development, including any applicable income eligibility requirements for the program residents, and any housing development contracts or agreements between the applicant and the source of the public subsidy, as defined above.

If staff is unable to confirm the eligibility of a publicly supported housing development that is not in contract with HUD using the documents and information submitted pursuant to the paragraph above, the application will not be approved ministerially and will instead be subject to resolution review.

Non-profit applicants must submit an IRS letter approving the applicant's status as a 501(c)(3) entity incorporated for the purposes of providing affordable housing, which must include the applicant's Tax Identification Number, along with an award letter from a public agency such as the California Tax Credit Allocation Committee (TCAC), proving its receipt of public funding for affordable housing purposes.

Applicants representing farmworker housing must provide (1) the total number of units in the housing development and (2) the number of units available to and occupied by farmworkers at the time the application is submitted.

### **VI. Submission and Timelines**

Applicants must electronically file their completed applications using the Commission's FTP file server (<https://kwftp.cpuc.ca.gov>).

Because applications are not filed with the Commission's Docket Office, they will

not be assigned proceeding numbers.

Applications may be submitted at any time. However, staff will consider applications submitted on or before each deadline listed below as a batch.

Staff shall notify an applicant by a letter specifying reasons for rejection should an application fail to meet the BPHA eligibility criteria.

Deadlines:

- July 1, 2022
- January 1, 2023
- July 1, 2023
- January 1, 2024
- July 1, 2024

Any deadline falling on a holiday or a weekend will be extended to the following business day.

Additionally, after each deadline, staff will post notice of all applications received on the Commission's website.

### **VII. Ministerial Review**

The Commission assigns to staff the task of approving applications that meet all of the following criteria:

- Applicant meets the eligibility requirements under Pub. Util. Code, § 281(i)(1), § 281(i)(2) and (i)(3)
- Applicant attests that no broadband service provider offers free service that meets state standards, as defined in Section III, to the subject low-income community
- Applicant requests a grant of up to \$150,000 in BPHA infrastructure grant funds per project.
  - For projects connecting 50 units or less, the proposed project costs \$1,200 per unit or less.
  - For projects connecting 51-100 units, the proposed project costs \$900 per unit or less.
  - For projects connecting 101 units or more, the proposed project costs \$600 per unit or less.
- Applicant must attest that it expects the property to be in residential use as

- a low-income community as defined above for at least the next 10 years.
- The property qualifies for an exemption pursuant to CEQA Guidelines.
  - For wireless networking projects, the equipment must meet at least the 802.11AC Wave2 (WiFi-5 wave2) standard or 802.11ax (WiFi-6/6E) standard. Staff will accept, for Ministerial Review, applications that rely on 802.11n technology to the extent that the applicant can demonstrate that this equipment was purchased prior to the issue date of the decision adopting these Guidelines.
  - For wireline networking projects, the equipment must meet at least DOCSIS 3.1, VDSL, or 100 BASE-X standards.
  - Applicant attests that it will operate and maintain project equipment, broadband technology, and internet services for at least five years after successful completion of the project and that it has sufficient funds to do so. In addition, the Applicant attests that it will acquire the necessary hardware warranty and service agreement to support the operation of the proposed network for the five-year period.
  - The proposed project network is capable of providing broadband internet service speeds of at least 25 Mbps downstream and 3 Mbps upstream for an average user during peak and off-peak hours, or current state standard, whichever is higher (supported by submitted documentation).
  - Applicant attests that it will not charge residents for broadband internet services.
  - Applicant has signed an affidavit agreeing that the statements and representations made in the application are true and correct, agrees that no officer, director, or partner of the Applicant or its Fiscal Agent has: 1) filed for bankruptcy; 2) was sanctioned by the Federal Communications Commission or any state regulatory agency for failure to comply with any regulatory statute, rule, or order, nor 3) has been found either civilly or criminally liable by a court of appropriate jurisdiction for violation of §1700 et. seq. of the California Business and Professions Code, or for any action which involved misrepresentations to consumers, nor is currently under investigation for similar violations, and to abide by the CASF program rules established by the Commission, Commission rules of practice and procedure and statutes, and Pub. Util. Codes, §§ 2111 and 2108.
  - Applicant agrees to complete the project within 12 months from the date of the Commission approval.
  - Applicant has an identified internet service provider with the required

internet bandwidth capacity at the MPOE.

- Applicant agrees to secure project funded hardware to prevent theft and vandalism.

Applications not meeting the above ministerial review criteria may only be approved by the Commission via Resolution.

The Commission assigns to staff the task of rejecting applications that meet any of the following criteria:

- The applicant has previously had a Commission grant award rescinded for violation of Commission or program rules;
- The applicant has made false statements to the Commission or to the Federal Communications Commission (FCC).
- The applicant submitted an incomplete application and has not responded to a follow-up request sent to the designated contact on the application to provide missing material.

All applications shall be approved, denied, or marked for further review by the Commission through a Resolution.

The Communications Division Director will notify grantees of awards made via ministerial review by letter. Award letters will be regularly posted to the Commission's website.

### **VIII. Project Status and Reporting**

BPHA project grantees are required to submit a project status report within six months of the project award date if the project has not been completed, irrespective of whether the grantee requests reimbursement or payment. The project status report must include the following:

- Project Plan and deployment schedule showing major milestones with planned and actual completion dates.
- Any variance between planned and actual dates need to support with proper reasoning.
- Project Risk Mitigation plan.<sup>14</sup>

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<sup>14</sup> Plan that identifies, evaluates, selects, and implements options in order to balance the BPHA project cost and schedule implications associated with risk response or mitigation plan by setting risk at acceptable levels given program constraints and objectives.

- Budget Plan with a cost line item matched with the application.

Grantees must certify that each project status report submitted is true and correct under penalty of perjury.

BPHA project grantees must submit a project completion report with all required supporting documentation in order to receive final payment. The project completion report contains, total project cost, project cost summary breakdown, project milestone deployment details, CalSPEED<sup>15</sup> test results, bill of materials (BOM), invoices supporting BOM, network and low-voltage engineering and design documentation, installation and commissioning checklist, provisioning and configuration files, as-built documentation with pictures showing labels and annotations, and project expenses summary. The project completion report template can be found on the BPHA website.

BPHA project grantees are required to maintain the broadband network for a period of five years after the network is installed and internet services turned on for residential use. From the date broadband network and internet services are turned on the grantees are required to submit a KPI (Key Performance Indicator) report bi-annually for a period of five years.<sup>16</sup> The KPI report and its supporting system data can be submitted through an online portal that can be found on the Commission website under the CASF BPHA hyperlink.

The KPI report includes the following:

1. Monthly Percentage Uptime of network and internet services
2. Monthly Bandwidth Utilization by the residents (the amount of internet data transferred or the usage in gigabytes on the network)
3. Monthly Number of Unique User Devices Logged-in by the residents to access the broadband network for internet services

To support the above KPI report information, the grantee must submit the system data obtained from the network.

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<sup>15</sup> CalSPEED is an open source, non-proprietary, network performance measurement tool and methodology created for the Commission, funded originally via a grant from the National Telecommunications and Information Administration.

<sup>16</sup> KPI report is to measure the broadband network service performance and to keep proper checks and balances on the BPHA program goals and objectives.

### **IX. Sale or Transfer of Assets**

BPHA project grantees must notify the Commission about any proposed sale or transfer of ownership of the project property that occurs prior to the completion of the five-year requirement. The grantee must require the new owner to assume grant obligations of operating and maintaining the broadband internet services for the remaining period of the five years term. The grantee shall notify the Director of the Communication's Division in writing of its intent to sell or transfer its assets within five days of becoming aware of these plans.

The grantee shall also provide documentation, including an affidavit, stating that the new entity or owner will take full responsibility and ownership to comply with the terms of the CASF grant award. The new entity shall agree in writing to such.

### **X. Payment Terms**

BPHA project grantees are eligible to request the payment for the expenditures incurred during the first six months if the grantee submits a six-month project status report and certifies that the status report is true and correct under penalty of perjury.

Grantees shall submit final requests for payment no later than 90 days after completion of the project. If the grantee cannot complete the project within the 12-month timeline, the grantee must notify the Director of Communications Division as soon as they become aware that they may not meet the project timeline. In the event the grantee fails to notify the Director of Communications Division, the Commission may withhold or reduce payment.

Grantees must submit the project status and completion reports with all required supporting documentation for the staff to review in order to receive payment.

Payments are based on submitted receipts, invoices and other supporting documentation showing expenditures incurred and work done on the project in accordance with the approved CASF funding budget included in the grantee's application.

Payment in full can be made for the entire project upon review of the submitted



project completion report and supporting documentation and after staff approvals.

The payments will be made in accordance with, and within the time specified in California Government Code § 927 et seq.

Grantees are required to maintain records such as files, invoices, and other related documentation for three years after final payment. Grantee shall make these records and invoices available to the Commission upon request and agrees that these records are subject to a financial audit by the Commission at any time within three years after the final payment made to the Grantee.

The Commission has the right to conduct any necessary audit, quality check, verification, and discovery during project implementation and post-project completion to ensure that CASF funds are spent in accordance with the terms of approval granted by the Commission. Invoices submitted will be subject to financial audit by the Commission at any time within 5 years of the release of the final payment.

If any portion of reimbursement is found to be out of compliance, grantees will be responsible for refunding any disallowed amount along with appropriate interest rates determined in accordance with applicable Commission decisions.

#### **XI. Execution and Performance**

The BPHA project grantee shall start the project within 30 days upon grant approval and complete the project execution within a 12-month timeframe. Should the grantee or Contractor fail to commence work within 30 days of grant approval, the Commission or Director of Communications Division, upon five (5) days written notice to the CASF recipient, reserves the right to terminate the award. If the grantee is unable to complete the proposed project within the required 12-month timeframe, it must notify the Commission as soon as it becomes aware of this prospect. The Commission reserves the right to reduce or withhold payment failure to satisfy this requirement. Grantees must operate and maintain the network for a minimum of five years after it has been installed.

The grantee must complete all the performance on the project before the termination date in accordance with the terms of approval granted by the

Commission. In the event that the grantee fails to complete the project or subsequently operate and maintain the network service in accordance with the terms of approval granted by the Commission and compliance with CASF program guidelines, the grantee must reimburse some or all of the CASF BPHA funds that it has received.

Material changes in the entries for this application, such as discontinuing operation or bankruptcy, or change of name (DBA<sup>17</sup>), change of address, telephone, fax number or e-mail address must be reported immediately by a letter to the CPUC, Director of the Communications Division, 505 Van Ness Avenue, San Francisco, CA 94102.

In addition, a scanned electronic copy should be sent to [cpuc\\_housing@cpuc.ca.gov](mailto:cpuc_housing@cpuc.ca.gov).

## **XII. Consent Form**

All grantees are required to sign a consent form within 30 days from the date of the award agreeing to the terms stated in the resolution or award letter authorizing the CASF award. The agreement will provide the name of the grantee, names of officers, and must be signed by the grantee. Should the grantee not accept the award through failure to submit the consent form within 30 calendar days from the date of the award, the Commission will deem the grant null and void. The proposed wording of the consent form will be made available on the BPHA website.

## **XIII. Penalties**

As noted above, grantees must agree to the following language in an affidavit.

*If [Grantee Name] violates the terms and conditions of a CASF award or other program and project compliance requirements, it shall be subject to Public Utilities Code Sections 2108 and 2111. The Commission may impose the maximum penalties allowed under Public Utilities Code Sections 2108 and 2111 for failure to meet the program and project compliance requirements, as determined by the Commission.*

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<sup>17</sup> A DBA "Do Business As" is also known as a "fictitious business name," "trade name," or "assumed name"

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Submit completed applications online at <https://kwftp.cpuc.ca.gov>

**(END APPENDIX 1)**