

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



June 4, 2018

Mark Morgenthaler  
Chief Executive Officer  
Surfnet Communications  
PO Box 66831  
Scotts Valley, CA 95067

Subject: California Advanced Services Fund (CASF) – Surfnet Communications' Proposed Las Cumbres Fiber Project

Dear Mr. Morgenthaler:

Thank you for your September 27, 2015, CASF Infrastructure Grant Account application for funding the Las Cumbres Conservation Corporation (LCCC), located in the city of Los Gatos in Santa Cruz County. During our review of your application, we received information from Frontier Communications, Inc. that it was in the process of upgrading its telecommunications network, including with funding provided by the Federal Communications Commission's Connect America Fund program. Frontier asserted that its upgrade would be complete by October of 2017 and that it would be offering speeds in excess of 6 Megabits per second (mbps) download and 1.5 mbps upload to the residents of LCCC, making the area, in this case one census block, served under CASF rules.

Subsequent to the completion of Frontier's telecommunication network upgrade, Staff queried Frontier's website using a sample of addresses provided by residents in LCCC who agreed to help us in our review of your application. We determined that 100% of the sampled addresses are listed as having available broadband in excess of 6 Mbps download and 1.5 Mbps upload. Further, Staff asked those residents subscribing to broadband Internet service in the project area to test their network speeds and report back the results. Those speed tests indicated served speeds available in the project area from four different providers: Frontier, Surfnet, Etheric and Ridge. This includes one instance where a resident reported subscribing to Internet service from Frontier and receiving speeds of 90 mbps download and 8 mbps upload.

Based on our evaluation, Staff finds that the project area has broadband available at served speeds. CASF rules limit funding to broadband infrastructure areas determined to be unserved or underserved. Therefore, Staff considers the proposed project area as ineligible for CASF funding. Please contact Peter Chang at (213) 576-7079 or Tom Glegola at (415) 703-2438 if you have any questions or would like to share additional information.

Sincerely,

A handwritten signature in blue ink that reads "Robert Wullenjohn".

Robert Wullenjohn, Program Manager  
Broadband, Video & Market Branch  
Communications Division

cc: Cynthia Walker, Director of CD  
Tom Glegola, CASF Supervisor