

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**Charter Communications Operating, LLC**

**CASF APPLICATION**

River Oaks  
San Juan Bautista, California  
(San Benito County)

**1. PROJECT SUMMARY (Distributed Publicly)**

<b>Applicant's Name:</b>	Charter Communications Operating, LLC (on behalf of its affiliated entities Spectrum Pacific West, LLC; Charter Fiberlink CA-CCO, LLC ("Charter Fiberlink") (U-6878-C); and Time Warner Cable Information Services (California), LLC ("TWCIS") (U-6874-C)). (hereafter referred to as "Charter")
<b>Contact Person:</b>	Mike Snider Regional Vice President, Field Operations Charter Communications 6399 S Fiddlers Green Circle Suite 120, Field Operations Greenwood Village, CO 80111 (303) 323-6099  In addition to the above-identified key contact, questions concerning this application may be addressed Charter's Vice President, State Regulatory Affairs: Torry R. Somers Charter Communications 550 North Continental Boulevard, Suite 250 El Segundo, CA 90245 <a href="mailto:torry.somers@charter.com">torry.somers@charter.com</a> (310) 765-2185
<b>Location:</b>	River Oaks, San Benito County, California.
<b>Project Type:</b>	Last Mile
<b>Funding Requested &amp; Project Cost:</b>	\$745,365.28 (Funding requested for 100% of project costs)

## Project Area Map

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Below is a depiction of the 7 census blocks to be served by the proposed project (outlined in orange), encompassing sections of River Oaks, CA located off Chittenden Rd, San Benito CA. See also the map at [Attachment H](#) and [Attachment I](#), the corresponding .kmz mapping file included in the electronic submission of this application.



## Description of the Project

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Charter Communications Operating, LLC (on behalf of its affiliated entities Spectrum Pacific West, LLC; Charter Fiberlink CA-CCO, LLC (U-6878-C); Time Warner Cable Information Services (CA) LLC (U-6874-C) (hereinafter “Charter” or “Applicant”) is applying for a grant of **\$745,365.28** from the California Advanced Services Fund (CASF) Broadband Infrastructure Grant Account. The proposed project, as described below, will enable High Speed Internet services as well as Voice over Internet Protocol (VoIP) to a total of 41 CASF-eligible households (representing a population of 155 as of 2019) in the River Oaks area. The **\$745,365.28** represents 100% of the projected cost of delivering service to these CASF-eligible households.

Currently, residents of the River Oaks area in eight census blocks have no or slow service. The Broadband Map indicates a Median Household Income of “\$0.00” for the census block group 060690002006 encompassing six of the seven River Oaks census blocks; for those blocks, the Broadband Map indicates a Per Capita Income of \$41,635.00. For the remaining two census blocks, the Median Household Income is \$41,635.00.

With Charter’s proposed project, the 41 CASF-eligible households will be able to choose between Spectrum products with speeds up to 940 Mbps download and 35 Mbps upload. Consumers will also be able to elect services at 400/20 or 200/10 speeds, and qualifying customers will be eligible for Spectrum Internet Assist with speeds of 30/4. The proposed project will serve only residential units with the exception of a handful of potential small business customers. There are no anchor institutions or other public facilities that will be served as part of the project.

Charter will run approximately 12.46 total miles of new plant throughout the community, which includes linear plant extension mileage along a trench route or aerial strand. New plant describes both the infrastructure to connect the community to the tie-in point as well as the mainline through the community and may entail both fiber and coaxial cable in parallel. In total, the project entails 7.51 miles of new coaxial cable and 4.95 miles of new fiber sheath. One new coax node will be added at the end of the fiber ties located 3.54 miles from the project area entrance. Approximately 0.39 miles of laterals will be used to connect households within the community, which will be a combination of aerial and underground installations. Charter expects to install laterals using new conduit and avoid the existing dry utility conduit in compliance with CPUC safety standards.

Other necessary infrastructure enhancements include the power supplies to support the build-out, as well as hub upgrades including fiber optic transmitter and receiver, a CMTS port and all cabling and combiner equipment needed to connect to the system.

Charter does not have existing broadband facilities in the project area. Charter does have facilities to the west of the project area servicing the community of Aromas. Plant was never built to the project area based on the cost of providing service to limited households.

Charter does not believe that there are any other providers offering service in the project area above 6/1 speeds and with infrastructure that could be shared for the purpose of deploying broadband services. First, there is limited, if any, other provider infrastructure in the area other than satellite services. Second, Charter believes that while AT&T may have phone lines on the utility poles and underground in the project area, AT&T does not offer broadband services meeting the applicable thresholds for the area to be considered served.

The most conservative estimate of the project timeline is 236 total days. This does not account for overlapping of the design and private property approval stages, or several construction phases. Accounting for these overlapping phases, the project timeline could be 206 days or fewer. There is a risk factor associated with pole engineering, permitting, and power supply permitting/activation. To the extent that some utility poles may not be able to be utilized, it is possible that some facilities will need undergrounding. The potential for undergrounding is included in the project costs as a contingency item.

**Funding Request:**

- **Baseline for Eligible Project (60% of total construction costs).**
- **Presence of Dial-up Only (40%):** The proposed build resides within an area that is currently not served by any form of wireline or wireless facilities-based broadband with speeds above 6/1. The only available service that may be offered in the project area is DSL service at speeds below the statutory threshold to be considered served.
- **Uses Existing Infrastructure (10%):** The project will connect to existing Charter nearby infrastructure thus avoiding additional costs for infrastructure outside of the project area. The project will also rely primarily on existing poles.
- **Makes a Significant Contribution to the Program Goal (10%):** The project is within a Broadband Consortium region that has not yet reached the goal of deploying broadband service at speeds of 6/1 to 98 percent of households.

**Census Blocks Covered:**

060690002006002	060690002006022
060690002006003	060690002006025
060871233001055	060871233001056
060690002006021	

**Zip Codes Intersected:**

95045

## **Other Issues:**

Charter requests a waiver of the CASF Program requirements that a provider set fixed rates for a 24-month period and waive installation fees during that pricing commitment. Charter instead commits to offering rates for services in the project area that are the same as those offered to all other Charter customers in California. Charter further notes that grant of these waivers is a necessary condition to its ability to participate in the CASF program thereby helping to achieve the Commission's and Statute's goal of bringing broadband to 98% of California subscribers. Charter justifies its request for waiver by demonstrating that a separate billing operation would need to be established just for the project areas.

The Commission has authority to grant the waivers. The Commission made clear that it retains the authority to determine funding on a case-by-case basis, citing PU Code sec. 281(f)(13).<sup>1</sup> The Commission has exercised such discretion in numerous instances and has broad discretionary powers.<sup>2</sup> Such discretion in this case is wholly appropriate. Charter employs national pricing, which means that subscribers in the most rural of Charter's service areas in California already get the benefit of the same prices that are offered to customers in Charter's most competitive areas, including for installation.

Charter has worked hard to identify projects suitable for the CASF funding, which will not be developed absent funding, and appreciates the efforts of the Communications Division and the Commission to grant minor waivers necessary to make the projects viable for a company like Charter with standard prices for all California consumers within its footprint. Accordingly, consumers in the Project Area will be protected from rate increases to the same extent as customers in Charter's highly competitive areas and benefit from promotions by having the same rates as those available to all of Charter's California customers.

With regard to the requirement that installation fees be waived during a 24-month period, Charter also seeks a waiver of such requirement and instead Charter proposes that the installation fee waiver be applied during the first three months following completion of construction during which most customers are likely to sign up for services. Following that three-month period, customers in the project area would be charged the same installation fee as all other Charter California customers.

Charter previously requested and was granted these waivers for its 2019 applications in Resolution T-17680. In that resolution, the Commission granted the waivers in light of Charter's national pricing plan and commitment to offer a low-income Internet plan known as Spectrum Internet Assist and to serve traditionally lower income segments of the population in the project areas. Resolution T-17680, pp. 6-7.

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<sup>1</sup> D.18-12-018, p. 7.

<sup>2</sup> See e.g., Resolution G-3543; Resolution SX-126 in which the Commission granted waivers on a case-by-case basis as warranted by the specific circumstances presented.