

**Frontier CASF Broadband Infrastructure Grant Application – Smith River FTTP
Item #1 - Project Summary**

Applicant: Citizens Telecommunications Company of California Inc. d/b/a Frontier Communications of California (U-1024-C)

Contact: Amy Warshauer
Manager, Government & External Affairs
Amy.warshauer@ftr.com

Project Title: Smith River FTTP

Location: Smith River within Del Norte County

Type: Last Mile

Grant Request: \$1,428,479

PROJECT SUMMARY

Citizens Telecommunications Company of California Inc. d/b/a Frontier Communications of California (U-1024-C) (Frontier) is applying for a \$1,428,479 grant from the California Advanced Services Fund (CASF) Broadband Infrastructure Grant Account to deploy a 100% last mile fiber to the premise (FTTP) facilities that will provide High-Speed Internet (HSI) to 55 unserved CASF-eligible households, including homes of members of the Tolowa Dee-Ni’ Nation with 1,700 registered members, in the region of Smith River within Del Norte County. Frontier refers to the collective areas of this proposal as the Smith River FTTP Project (Project). Frontier is requesting that the California Public Utilities Commission (Commission) grant full funding for this Project in the amount of \$1,428,479.

The Project would will place 76,121 feet of 48, 96, & 144 fiber optic cable for FTTP in the Smith River. The fiber build is 100% last mile and will provide customers with minimum symmetrical speeds of 50 Mbps and maximum symmetrical speeds of up to 1 Gbps. This Project would provide these services to four community anchor institutions, including Smith River Elementary School, United Indian Health Services, Inc., UIHS Smith River Howonquet Health Station, and Howonquet Clinic. Service will also be made available through Frontier’s low-income broadband programs described later.

The Project covers less than a square mile. Fiber will be placed in existing conduit or poles where applicable. Where conduit or poles do not exist, fiber will be placed in existing easement and/or right-of-way following the existing copper facilities path. The Project will place approximately 14 miles of fiber, a fiber distribution cabinet and central office equipment upgrades in the Smith River Wire Center. It is estimated that this Project will be approximately 72% aerial and 28% underground installation with major equipment expenses including, packet switching network equipment that supports fiber to the premise infrastructure.

The estimated construction timeline, after all permits are secured, is within the two-year window as required by D.18-12-018 (issued December 20, 2018) (Decision), Frontier does not anticipate this Project would be exempt from CEQA, and therefore, would not qualify for ministerial review.

FUNDING RATIONALE

Under the new CASF rules adopted in D.18-12-018 (issued December 20, 2018) (Decision), Frontier believes that the proposed Project qualifies for 100% funding – \$1,428,479 – which represents the full Projected costs to provide service

to 55 unserved CASF-eligible households.

The Decision provides a table which summarizes criteria for funding level determinations. According to this table, only Projects in low-income areas or without any service from an existing facilities-based provider (a “dial-up only” area) are eligible to receive up to 100% funding. According to the California Interactive Broadband Map, all census blocks are unserved and eligible for CASF funding. The proposed Smith River FTTH Project qualifies for 100% funding as it meets the following criteria:

Criteria	Reimbursement
Baseline for Eligible Project	60%
Presence of dial-up only (all households)	40%
TOTAL	100%

- **Areas with only dial-up or no Internet connectivity:** The proposed build resides within an area that is currently not served by any form of wireline or wireless facilities-based broadband and proposes a cost-effective expansion of broadband access to 55 unserved, CASF-eligible households.
- **Location and accessibility of the area:** The Commission interprets this category to mean that the Legislature directed the Commission to award higher funding levels in remote areas, as specified. The Decision directs Staff to award more funding if an applicant proves a proposed Project area meets two of the five characteristics outlined below; this Project meets three of the five, as shown below in bold:
 - The proposed Project area contains rugged or difficult terrain (e.g., mountains, desert, national or state forest);
 - The proposed Project area is more than 10 miles from the nearest state or federal highway;
 - ✓ **The proposed Project area is an unincorporated community;**
 - ✓ **The proposed Project area is more than 10 miles from the nearest hospital;**
 - ✓ **The proposed Project area is located in a rural census block, as defined by the U.S. Census Bureau.**
- **Existence of communication facilities that may be upgraded to deploy broadband:** The Commission interprets this category mean that the proposed Project relies primarily on existing infrastructure. As described above, the Project leverages Frontier’s existing infrastructure and, thus, will be less expensive to build.
- **Significant contribution to achieving the program goal:**

The proposed Project would make a significant contribution to the CASF program as the area within the Redwood Coast Connect Consortium, a region which is served at 90.3% and falls below the 98% goal set forth in AB 1665.
- **Low-Income Service:** The proposed Project area qualifies as low-income community with a median household income of \$31,901, which falls below the CARE standard of \$52,400 as required by this Decision.
 - ✓ *Low-Income Plan:* Frontier features a choice of two low-income programs for customers: Frontier Fundamental and Frontier Affordable Broadband. The Frontier Affordable Broadband product requires customers to be enrolled in Lifeline telephone service. Alternatively, the Frontier Fundamental product is a stand-alone low-income broadband program that does not require a customer to purchase telephone service. Both products will provide minimum symmetrical speeds of 50 Mbps.

ADDITIONAL BENEFITS

This Project will support the goal of achieving 98% broadband service availability in the Northeastern California Connect Consortium. Based on latest CPUC broadband availability data (as of December 31, 2019), the Redwood Coast Connect Consortium is served at 90.3%, with Del Norte County served at the same threshold of 90.3%. Frontier is the primary service provider in the Project area, rendering this Project absolutely vital in the larger goal of providing service to those on the wrong side of the Digital Divide. The Project lays the necessary groundwork that will enable additional build opportunities and will allow Frontier more options as we continue to assess opportunities to connect some of the most remote areas of the region.

Frontier has worked with the Redwood Coast Connect Consortium to identify anchor institutions within proximity of the fiber middle and last mile deployment that would benefit from connectivity to the new network. The following anchor institutions were identified in the Project area which would greatly benefit from increased speed and access: Smith River Elementary School, United Indian Health Services, Inc., UIHS Smith River Howonquet Health Station, and Howonquet Clinic.

Evidence supporting technologies to lower costs, connect remote populations or previously unserved populations, and expand the reach of urban-centered medical expertise has always been critical, and connecting these healthcare anchor institutions with reliable Internet access is more essential now than ever before. The utilization of telehealth will be critical for the health and safety of the patient physician. Furthermore, telehealth can connect physicians with physicians and also provide access to specialists for treatment of multiple conditions. Connecting indigenous populations to healthcare is also of the utmost importance.

Providing HSI access for educational anchor institutions in the area is also essential. Connecting teachers to students and parents to educational resources is even more imperative as we continue to navigate the new normal in the time of COVID-19 and other natural disasters throughout the state. Students lacking Internet connectivity at home are at a disadvantage when completing assignments that require online access and interaction. As more bandwidth intensive material moves online – such as educational videos, interactive learning tools, and video conferencing tools for teachers – connection speed is quickly becoming a major issue for rural educators. This Project will be important to reduce these barriers through expanded Internet access in Del Norte County.

The California Center for Rural Policy at Humboldt State University and the College of the Redwoods support this Project as expanding and upgrading Internet service in Del Norte County will benefit residents and community anchor institutions in areas such as education, healthcare, economic, and workforce development, and resiliency, among others. This enhanced access to the Internet will also allow the county expanded reach to provide services and information to underserved residents and businesses, and access tools and resources that can help to optimize internal processes to achieve cost efficiencies. Additionally, enhanced Internet service capabilities are critical for public safety communications allowing first responders to send and receive critical voice, video and data during emergencies and disasters.

The application for this Project is a modest funding request for a region of the state that is severely unserved and underserved, and therefore is a prudent use of funds to help close the Digital Divide.

In addition to preparing this application for the CASF Infrastructure Grant Account pursuant to the existing rules and regulations, we have worked with the Regional Consortia to identify anchor institutions within proximity of the fiber middle-mile backhaul deployment that would benefit from connectivity to the new network. If the Legislature and Administration authorize additional support to expand the opportunity for critical broadband expansion beyond last mile deployment, Frontier stands ready to work with qualified anchor institutions to support higher-speed Internet service.

This grant application creates important potential opportunities for anchor institutions help advance broadband in low-income, underserved communities along the path of deployment by supporting distance learning and telehealth-telemedicine, both in response to COVID-19 and to build for the future to secure “Broadband For All.”

Census Blocks Covered

60150002021083
60150002021087
60150002021090
60150002021091
60150002021104

ZIP Codes Covered

95567

Smith River Area Map

