Rules for new Broadband Adoption program up for vote
Guidelines will help CASF address digital divide in communities with demonstrated disadvantage

A proposed decision expected to come up for a vote before the California Public Utilities Commission (CPUC) later this month would help focus the CPUC’s broadband efforts, including to disadvantaged communities.

Commissioner Martha Guzman Aceves released a proposed decision (PD) on May 18 that sets the rules for a new broadband adoption account under the California Advanced Services Fund (CASF), modifies existing subsidies for public housing communities, and winds down a loan program.

The CASF is a grant program designed to bridge the “digital divide” in areas of the state unserved by broadband, and is funded by a 0.56 percent surcharge paid by end users assessed on intrastate telecommunications services.

From a $100 million initial authorization in 2007, it has grown with subsequent reauthorizations, most recently 2017’s AB 1665, which authorized an additional $330 million collection ($300 million of which is dedicated to funding infrastructure projects).

Commissioners can vote on the new rules as soon as the CPUC’s June 21 voting meeting. AB 1665 required the CPUC to begin accepting grant applications no later than July 1.

AB 1665 also established a new $20 million “adoption” account, which was the main focus of Commissioner Guzman Aceves’ PD. Under the PD, adoption projects that focus on digital literacy and programs that offer free broadband services (such as computer centers), could be funded.

Preference would be given to projects serving communities with a median household income limits for a household of four ($50,200 annually, as of June 1, 2018).

Additional preference would also be given to projects serving communities with limited English proficiency, where fewer than 50 percent of residents have a high school diploma, and rural communities, among other factors. In fact, any demonstrated disadvantage that affects broadband adoption, as documented by the applicant, could be considered.

Grant proposals under $100,000 will get expedited treatment, where CPUC staff can approve without a formal vote by commissioners.

Guzman Aceves’ PD comes after a series of workshops this spring, ranging from Oroville to El Centro. Community groups, municipalities, utilities, and consumer advocacy groups also submitted comments during the development process.

The PD also affects the CASF’s Broadband Public Housing Account, but makes few changes, such as requiring applicants to the program to publicize their applications on the existing CASF mailing list and to require that applicants include a strategy for ensuring new residential broadband subscriptions with their applications.

Finally, AB 1665 eliminated the Loan Account, so the PD addresses proposed treatment of existing loans and applications in order to transfer the remaining funds into the infrastructure grant account. Existing outstanding loan awards would continue to be honored, with pending loan applicants allowed to amend their applications to seek additional grant funds.

The PD, part of ongoing Rulemaking R.12-10-012, is available online at: [http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M214/K459/214459364.PDF](http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M214/K459/214459364.PDF)

CASF at a glance
As amended by AB 1665 (also known as the “Internet for All Act”), the California Advanced Services Fund is a $330 million effort to make broadband available to at least 98% of households in 16 consortia regions. It is funded by a 0.56% surcharge on intrastate telecommunications services.

CASF has four subcomponents:
1. The Broadband Infrastructure/Line Extension Grant Account ($300 million)
2. The Rural and Urban Regional Broadband Consortia Account ($10 million)
3. The Broadband Public Housing Account (no new funds)
4. The Broadband Adoption Account ($20 million)

Information at: [www.cpuc.ca.gov/casf](http://www.cpuc.ca.gov/casf)
Commission’s goal: to know what’s on the pole

**CPUC considering inventory of utility poles in the state and what’s on them**

By Michael Picker

When was the last time that you looked at a telephone pole? It’s usually brown wood or steel, and there are about 4.2 million of them stuck in the ground throughout California, connecting virtually every business, building, and home in the state.

These ubiquitous poles carry electricity, various forms of telecommunications, and a lot of the wires and fiber that link us together through the Internet and all forms of communication that help make our lives work.

If the poles are too old or decrepit, not well maintained, or encroached upon by tree limbs or other vegetation, the electric lines they support can be an extreme hazard. That is especially true when we have high winds, conditions that are becoming far more common due to climate change. Poorly maintained poles, in fact, have caused substantial property damage and repeated loss of life in our state.

That’s why for the past year, the California Public Utilities Commission (CPUC) has been holding a series of public meetings around the state to take stock of our utility poles. There are several reasons for doing this.

Safety is reason number one. The CPUC has long been concerned with the safety of California’s utility poles; we have used our Rulemaking authority to promulgate a number of regulations related to safety of overhead and underground electric and communications facilities.

Another reason is that the public would be far better off if the CPUC, utilities, and local governments had more essential information about the poles we depend on.

Look at some of the poles in your own neighborhood and consider the story they tell about modern life and rapidly changing technology.

At the top, is your electricity. Below that are the old copper wires for phone and cable. Voice service cable wires brought you cable TV. Below that is a big fiber cable that the electric company uses for its Smart Meters to share information about how people are using their energy, so we can manage it better. There’s usually a fiber bundle there from the cable company so it can provide you with Internet, telephone, and television.

In fact, there is probably more computational capacity on each of those poles than was present in the entire U.S. in 1970. So, the poles are smart. They look like they’re just standing there, but they are providing us with great customer value. Probably for the dollars spent, a utility pole is the most important piece of customer infrastructure in the state of California.

Just by looking at the poles, you can see there’s competition taking place for space for more communications infrastructure, soon to be joined by a new fast and strong wireless Internet and phone called 5G. Competition is how we keep prices down in the telephone industry. It’s no longer a monopoly. There’s competitive service.

But the story told by a single California utility pole is woefully incomplete. We don’t know where all the poles are. We don’t know exactly who owns each pole. Ninety percent belong to the electric companies, but we don’t know precisely who’s on them.

If we know the location of a pole, its age, its condition, and whether the potential for high winds exceeds design standards and is creating a fire hazard, we can also employ some preventive strategies to minimize or eliminate that risk.

If we know the location of poles that go to portions of the state that are underserved with telecommunications, particularly broadband or wireless communications, and if we know what’s on them (or not on them), we can map out what else could be attached that might be able to take fiber or high-speed communications services to those underserved communities.

The need for information about this valuable infrastructure, most of which was paid for by ratepayers, is increasing. It is becoming more imperative given our ongoing safety concerns and the increased competition cited earlier. One aim of our current pole proceeding is to study the feasibility of creating a shared data depository to track where the poles are located, what’s on them and their condition. You can subscribe to documents related to our proceeding on our website (url below) using the proceeding number I.17-06-027.

If you’ve not yet seen it, I recommend you read an informative 2017 pamphlet researched and published by the CPUC’s Policy and Planning Division entitled: *A Natural History of the Wooden Utility Pole*. It’s an interesting and short piece of reading, and you’ll probably never see a utility pole quite the same way ever again.


Michael Picker is the President of the California Public Utilities Commission.
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<th>PROCEEDING NUMBER</th>
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<tr>
<td>R1502020</td>
<td>1-May-18</td>
<td>ALJ/ATAMTURK/CPUC</td>
<td>Decision implementing Senate Bill 350 provision on penalties and waivers in the renewable portfolio standard program and denying Petition for Modification of Decision 17-06-026. Opening comments are due May 21, 2018. Reply comments are due 5 days after the last day for filing comments. <a href="http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=213823880">http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=213823880</a></td>
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<td>A1507019</td>
<td>1-May-18</td>
<td>ALJ/WEATHERFOR/CPUC</td>
<td>Proposed Decision adopting Phase 3A Settlement Agreement. Opening comments are due no later than May 21, 2018. Reply comments are due 5 days after the last day for filing opening comments. <a href="http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=213824236">http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=213824236</a></td>
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<td>A1509013</td>
<td>2-May-18</td>
<td>ALJ/KERSTEN/CPUC</td>
<td>Decision denying San Diego Gas &amp; Electric Company and Southern California Gas Company's proposed certificate of public convenience and necessity for the proposed gas pipeline 3602, reclassification of gas pipeline 1600 from transmission to distributive service and redefinition of the existing CPUC reliability criterion. Opening comments are due May 22, 2018. Reply comments are due 5 days after the last day for filing comments. <a href="http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=213824449">http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=213824449</a></td>
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<td>A1805009</td>
<td>4-May-18</td>
<td>NGA 911, LLC</td>
<td>In the Matter of the Application of NGA 911, LLC for a certificate of public convenience and necessity to provide full facilities-based and resold competitive local exchange service throughout the service territories of Pacific Bell Telephone Company, Frontier California, Inc., Consolidated Communications of California Company, and Citizens Telecommunications Company of California, Inc. and full facilities-based and resold interexchange services on a statewide basis. <a href="http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=214172706">http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=214172706</a></td>
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<td>A1805010</td>
<td>4-May-18</td>
<td>Silva and Associates LLC</td>
<td>Ratesetting Application of Silva and Associates LLC, dba Al &amp; Pals for authority to operate as an on-call, door-to-door passenger stage corporation between points within the City of San Clemente, CA and to establish a Zone of Rate Freedom. <a href="http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=214172704">http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&amp;DocID=214172704</a></td>
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<td>A1610019</td>
<td>9-May-18</td>
<td>ALJ/YACKNIN/CPUC</td>
<td>Proposed Decision approving settlement between Pacific Gas &amp; Electric, The Utility Reform Network, and CPUC’s Office of Rate-payer Advocates regrading PG&amp;E’s application to recover incremental gas and electric costs recorded in its Catastrophic Event</td>
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Memorandum Account (CEMA) and incurred while responding to declared disasters from 2012 to March 2016.

A1507002, A1507003, A1507005, A1507006, A1507007, A1507008, R1408013 • 9-May-18 • ALJ/ALLEN/MASON/CPUC
Proposed Decision granting Intervenor Compensation to Community Environmental Council for contribution to Decisions 17-09-026 and 17-06-012.

R1502020 • 14-May-18 • ALJ/MASON/CPUC
Proposed Decision modifying Sections 4.1 and 4.2 of the Bioenergy Market Adjusting Tariff Power Purchase Agreement approved in Decision 15-09-004.

A1805014 • 15-MAY-2018 • Pacific Gas and Electric Company
In the Matter of the Application of Pacific Gas and Electric Company for Approval of its Assembly Bill 32 Greenhouse Gas Financing Costs. (U 39 E)

A1805015 • 15-MAY-2018 • Southern California Edison Company
Application of Southern California Edison Company (U 338-E) for Approval of its Clean Energy Optimization Pilot.

A1805016 • 15-MAY-2018 • Sonoma County Airport Express, Inc.
In the Matter of the Application of: SONOMA COUNTY AIRPORT EXPRESS, Inc., [PSG0001120] to establish a new base tariff rates and to establish a Zone of Rate Freedom of Plus 30% or Minus 30% to that newly established tariff, pursuant to provisions of Pub. Util. Code Section 454.2.

R1309011 • 15-May-18 • ALJ/HYMES/CPUC
Decision Modifying Decision 16-09-056 (regarding the Self Generation Incentive Program and its relation to the Prohibited Resources Policy).

A1707011 • 16-May-18 • ALJ/ALLEN/CPUC
Proposed Decision authorizing Pacific Gas and Electric Company to establish a Wildfire Expense Memorandum Account for the purpose of tracking specific incremental wildfire liability costs.

A1707011 • 16-May-18 • CMMR/RANDOLPH/CPUC
Alternate Proposed Decision of Commissioner Randolph autho-

rizing Pacific Gas and Electric Company to establish a Wildfire Expense Memorandum Account for the purpose of tracking specific incremental wildfire liability costs.

R1210012 • 18-May-18 • CMMR/GUZMAN ACEVES/CPUC
Decision implementing the California Advanced Services Fund Broadband Adoption, Public Housing and Loan Accounts Provisions. Opening comments, are due June 7, 2018. Reply comments are due 5 days after the last day for filing comments.

A1610011 • 18-May-18 • ALJ/CHIV/CPUC
Proposed Decision granting request for an all-service area code for Transfer Indirect Control of Mitel Cloud Services, Inc. to MLN TopCo Ltd.

A1805017 • 18-MAY-2018 • Mitel Cloud Services, Inc.
In the Matter of the Joint Application of MLN TopCo Ltd., Mitel Networks Corporation, and Mitel Cloud Services, Inc. f/k/a Mitel NetSolutions, Inc. (U4396C), (U5238C), (U1521C) for Approval to Transfer Indirect Control of Mitel Cloud Services, Inc. to MLN TopCo Ltd.

A1805023 • 21-MAY-2018 • Metro Gold Line Foothill Extension Construction Authority
Application of the Metro Gold Line Foothill Extension Construction Authority for Registration as an Interexchange Telephone Corporation, and dismissing this proceeding with conditions. Opening comments, are due June 7, 2018. Reply comments are due 5 days after the last day for filing opening comments.

A1705013 • 21-May-18 • ALJ/TAIRA/CPUC
Proposed Decision granting motion to withdraw application of Veritas Prepaid Phone Co., LLC for Registration as an Interexchange Telephone Corporation.

I1706025 • 21-May-18 • CMMR/GUZMAN ACEVES/CPUC
Proposed Decision establishing the California Grade Separation Fund Priority List for Fiscal Year 2018-2019. Opening comments, which shall not exceed 15 pages, are due no later than June 10, 2018. Reply comments, which shall not exceed 5 pages, are due 5 days after the last day for filing opening comments.

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Working to serve everyone in the San Joaquin Valley

By Martha Guzman Aceves

Recently, members of my staff and I, as well as other CPUC employees from our Energy Division, have been holding a series of public workshops in small towns up and down the San Joaquin Valley that are yearning for some of the same utility services the rest of us often take for granted.

Legislation signed in 2014 by Governor Jerry Brown required the CPUC to analyze “economically feasible options to increase access to affordable energy in those disadvantaged communities.” The goal laid out in the bill by former Assemblymember Henry Perea is to “improve the health, safety, and air quality of these communities.”

We’ve spent evenings meeting and talking with residents in high schools, gymnasiums and other venues in Allensworth, California City, Cantua Creek, De La Vina, Fairmead, La nare, Le Grand, and Seville, with more to come.

These are places that may not be familiar to the rest of California, but much of our food is grown and harvested there by people whose hard work has given the state a robust agricultural economy. Many of these communities still have a median household income of less than $30,000 per year, while the statewide figure is more than twice as high.

With more than 250 crops and about 1,000 dairies, the eight counties in the San Joaquin Valley produce tens of billions of dollars in annual economic activity. But the region also suffers from abject poverty and severe air pollution, earning it the unflattering nickname, “Appalachia of the West.”

Sadly, some of these economically disadvantaged communities have been trying to get natural gas service for 70 years. At our workshops, we have been hearing from families forced to use expensive, burdensome propane to heat their homes, provide hot water and cook their meals.

When the propane runs out and the propane company doesn’t want to come out, residents burn wood — if they can afford it — and more often, endure cold meals and icy showers. Propane is also more expensive than natural gas and emits more greenhouse gases. Like the rest of us, Valley residents would love to take advantage of cleaner, more affordable energy that allows them to live more comfortably and save more of their hard-earned dollars.

Representatives from utilities regulated by the CPUC and third-party

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PROCEEDING NUMBER • FILED DATE • FILER
A1805019 • 22-MAY-2018 • CA High-Speed Rail Authority Application of the California High-Speed Rail Authority for Approval to construct two New Grade Separated Crossings, One under the Proposed High-Speed Rail Tracks at Peach Avenue (208.29) and one Over the Proposed High Speed Rail Tracks at Davis Avenue (212.08) Located in the County of Fresno, State of California. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=214835630

R1502020 • 22-May-18 • CALJ/SIMON/CPUC Decision denying Intervenor Compensation Claim to the Clean Coalition. Opening comments are due June 11, 2018. Reply comments are due 5 days after the last day for filing comments. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=214459303

A1069003 • 22-May-18 • ALJ/ROSCOW/CPUC Decision on Southern California Edison Company’s 2016 Rate Design Window Application. Opening comments are due June 11, 2018. Reply comments are due 5 days after the last day for filing comments. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=214794441

R1407002 • 22-May-18 • CMMR/GUZMAN-ACEVES/CPUC Revised Alternate Proposed Decision of Commissioner Guzman-Aceves adopting alternatives to promote solar distributed generation in disadvantaged communities. Opening comments are due no later than June 11, 2018. Reply comments are due 5 days after the last day for filing opening comments. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=214784358

WR1709020 • 22-May-18 • ALJ/ALLEN/CPUC Decision adopting Local Capacity Obligations for 2019 and Refining the Resource Adequacy Program. Opening comments are due June 11, 2018. Reply comments are due 5 days after the last day for filing comments. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=214459310

A1805020 • 23-MAY-2018 • California High-Speed Rail Authority Application of the California High-Speed Rail Authority for Approval to Construct Five New Grade Separated Crossings Over the Proposed High-Speed Rail Tracks Operated by California High-Speed Rail Authority at Dover Avenue (217.82), Hanford-Armona Road (224.92), Houston Avenue (225.96), Idaho Avenue (227.96), and Jackson Avenue (228.97), And One Underpass Grade Separated Crossing at Grangeville Boulevard (222.91) Located in the County of Kings, State of California. http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=All&Doc ID=214835631

A1805021 • 23-MAY-2018 • Intermountain Infrastructure Group, LLC In the Matter of the Application of Intermountain Infrastructure Group, LLC for a certificate of public convenience and necessity to provide full facilities-based and resold competitive local exchange service throughout the service territories of Pacific
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Bell Telephone Company, Frontier California, Inc., Consolidated Communications of California Company, and Citizens Telecommunications Company of California, Inc. and full facilities-based and resold interexchange services on a statewide basis.

A1805022 • 23-MAY-2018 • Atos Public Safety LLC

A1805024 • 29-MAY-2018 • Lucky Fiber, LLC
In the Matter of the Application of Lucky Fiber, LLC for a certificate of public convenience and necessity to provide full facilities-based and resold competitive local exchange service throughout the service territories of Pacific Bell Telephone Company, Frontier California, Inc., Consolidated Communications of California Company, and Citizens Telecommunications Company of California, Inc. and full facilities-based and resold interexchange services on a statewide basis.

A1805025 • 29-MAY-2018 • Patriot Fiber, LLC
In the Matter of the Application of Patriot Fiber, LLC for a certificate of public convenience and necessity to provide full facilities-based and resold competitive local exchange service throughout the service territories of Pacific Bell Telephone Company, Frontier California, Inc., Consolidated Communications of California Company, and Citizens Telecommunications Company of California, Inc. and full facilities-based and resold interexchange services on a statewide basis.

A1604001 • 31-May-18 • ALJ/TSEN/CPUC
Proposed Decision regarding Energy Resource Recovery Account issues for Southern California Edison Company. Opening comments are due no later than June 20, 2018. Reply comments are due 5 days after opening comments.

R1709020 • 1-Jun-18 • ALJs/ALLEN/CHIV/CPUC
Proposed Decision adopting flexible capacity obligations for 2019 to Commission-jurisdictional electric load-serving entities, superseding the previously-adopted 2018 requirements. Opening comments are due no later than June 11, 2018. Reply comments are due no later than June 18, 2018

Guzman Aceves: San Joaquin Valley
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providers, like GRID Alternatives and Tesla, have participated in the workshops. They have heard from residents and shared proposals to serve these communities with gas extensions, local gas pipeline networks (also referred to as renewable gas micro-grids) or greater electrification options.

Each place has different needs and families have their own preferences. Many communities lack reliable electric service and are wary about going all-electric due to the frequency of outages. Other communities have been seeking natural gas for three generations and consider this an equity issue, and still others are more interested in complete electrification but worry about the costs.

As a CPUC Commissioner, I am committed to doing everything I can to ensure that all Californians have access to the clean, affordable and safe energy we need to raise our families and live healthy, productive lives. But I also know the challenges and the balance that must be struck as we wrestle with this issue.

Extending natural gas lines or bringing solar to these towns will not be easy or inexpensive. We must also consider the issue in a broader, statewide context. Our obligation to reduce greenhouse gases and fight climate change as California transitions from fossil fuels to renewable energy means we must weigh and consider a variety of factors.

The utilization of renewable gas to displace propane in a decentralized way may be one of the more unexpected opportunities to help accomplish our climate and clean energy goals. The same may be true for strategic deployment of battery storage to help with reliability needs by going all-electric.

These are the kinds of hard decisions we face in many CPUC proceedings. We are approaching this problem methodically and as transparently as we can. After hearing from residents, the public and all the formal parties, we will recommend specific sets of investments and hold more public meetings to see how residents and all parties feel about the proposal. Ultimately, I want to take a plan before my fellow Commissioners by the end of this year. As I was careful to explain to people at each workshop, I’ll do my best to identify common-sense solutions, but there is a lot of work yet to be done.

California is an exceptional state. We will always have our challenges, but we’ve built the world’s fifth largest economy because our diverse population has been advancing on so many different fronts. It’s not right that people who contribute so much to our success and quality of life are left behind. I feel privileged to play a role in addressing some of these inequities as California continues to lead the way to a cleaner, safer energy future for all.

Martha Guzman Aceves is a Commissioner on the California Public Utilities Commission.

About this publication
This monthly newsletter is to keep stakeholders throughout California informed of applications of note and proposed decisions by the CPUC’s Commissioners and Administrative Law Judges.
Each month, “Filings at the CPUC” features one or more applications or proposed decisions that have been filed, decided, or are about to be decided, that have risen to prominence since the prior newsletter, along with a “docket” summarizing the other filings at the CPUC in the previous month.
For more information on the CPUC’s outreach efforts, visit www.cpuc.ca.gov/Outreach, e-mail us at outreach@cpuc.ca.gov, or call (855) 421-0400.
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