

## PUBLIC UTILITIES COMMISSION

Office of Governmental Affairs

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Sacramento, CA 95814  
(916) 327-3277

June 30, 2009

The Honorable Alex Padilla, Chair  
Senate Energy, Utilities & Communications Committee  
State Capitol, Room 4038  
Sacramento, CA 95814**RE: AB 1555 (Perez/Fuentes) – As Amended 06/29/09 – SUPPORT**  
**Status: Senate Energy, Utilities & Communications Committee**

Dear Senator Padilla:

This letter is to inform you that on June 4, 2009, the California Public Utilities Commission's (CPUC) Legislative Subcommittee, comprised of President Peevey and Commissioner Chong, approved a legislative proposal regarding the California Advanced Services Fund. This proposal has been amended into AB 1555 (Perez/Fuentes) and is scheduled to be heard July 7, 2009 in Senate Energy, Utilities, and Communications Committee.

The American Recovery and Reinvestment Act of 2009 authorized the National Telecommunications and Information Administration to implement the Broadband Technology Opportunities Program (BTOP) - a \$4.7 billion one-time competitive matching grants program to expand broadband services.

BTOP will make 2-year competitive grants to states, nonprofit organizations, and broadband service providers, and require a 20 percent matching investment from nonfederal funding sources. Funding for the program office expires September 30, 2010.

AB 1555 amends the California Advanced Services Fund (CASF) statute to allow the program to compensate a portion of the matching funds required for BTOP grants to entities other than telephone corporations for building broadband facilities in California. Without changes to the statute federal funding is more likely to go to other states.

If you have any questions or wish to discuss this matter further, please do not hesitate to call me at (916) 327-8858.

Sincerely,

A handwritten signature in blue ink that reads "Alicia Priego".

ALICIA PRIEGO  
Legislative Liaisoncc: Members, Senate Energy, Utilities & Communications Committee  
Randy Chinn, Senate Energy, Utilities & Communications Committee  
Wade Teasdale, Senate Republican Caucus/Policy  
John Moffatt, Chief Deputy Legislative Secretary, Office of Governor Arnold Schwarzenegger