

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

Reply comments of Anza Electric Cooperative, Inc. In response to comments filed regarding CASF grant application for ConnectAnza FTTx project.	RESOLUTION T-17503
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**REPLY COMMENTS OF ANZA ELECTRIC COOPERATIVE INC.**

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Anza Electric Cooperative, Inc. (AEC), DBA ConnectAnza, submits this reply to comments filed by Ms. Alison Jordan via email to Mr. William Goedecke, CPUC analyst on Friday, November 27, 2015. For the reasons set out below, AEC submits that the comments should be rejected and that the proposed Resolution should be adopted without amendment.

## **1. THE COMMENTS WERE NOT SUBMITTED IN ACCORDANCE WITH THE CPUC RULES**

The CPUC requires comments to be filed and served in a certain manner and asks that comments be focused on factual, legal, and/or technical errors in the draft resolution. These requirements are clearly set out in the Public Notice of Availability published by the CPUC on November 13, 2015.

Ms. Jordan failed to follow the published instructions regarding methodology and content. Her email was apparently sent only to the CPUC Communications Division analyst, and was not sent to the Service List on the same date as required by the rules. AEC is on the Service List and only became aware of Ms. Jordan’s email when it was sent to the Service List by the Communications Division Analyst on Monday, November 30, 2015, three days after the initial email to the Communications Division, contrary to the requirement for simultaneous submission. Additionally, the comments did not ...”include a subject index listing the recommendations to the draft resolution, a table of authorities, and an appendix setting forth the proposed revised findings and ordering paragraphs.” Further, no extraordinary circumstances have been offered to justify considering these comments. Therefore, AEC submits that the CPUC should reject the comments.

If the CPUC should decide to consider the comments, AEC offers the following additional information in reply to the comments.

## **2. AEC HAS MET THE ELIGIBILITY REQUIREMENTS FOR THE GRANT**

Ms. Jordan disputes the timeliness and eligibility of AEC's application. However, she does not offer any legal or factual support for this statement.

AEC submits its application was timely submitted and meets all the eligibility requirements of Resolution **T-17443** (approved June 26, 2014) and other applicable CPUC rules. The application was thoroughly vetted by the CPUC staff to ensure such compliance. Ms. Jordan has not provided any information to contradict the CPUC staff's conclusion.

## **3. AEC'S MEMBERSHIP OVERWHELMINGLY VOTED TO MODIFY ITS ARTICLES OF INCORPORATION TO ENTER INTO THIS BUSINESS**

Ms. Jordan states that she is ... "against the idea of my cooperative getting into this business." AEC is a not-for-profit, member-owned electric distribution utility. Our by-laws require that any changes to our structure that affect how we operate to be presented to our membership for a democratic vote.

This process was undertaken with great care early in 2015, and modified Articles of Incorporation that, if approved, would allow AEC to engage in this business were presented to our members for a vote on May 22, 2015. We received a 91.3% favorable vote, with a record turnout for any election in our 65 year history. The modified Articles of Incorporation were then filed with the Secretary of State, in accordance with California law. These documents are on file at our office.

Ms. Jordan may object as a matter of opinion but she has failed to point to any factual, legal or other error in the record.

#### **4. AEC HAS AGGRESSIVE BUILD OUT PLANS AND NO OBLIGATION TO DEVELOP A TRANSITION PLAN FOR OTHER PROVIDERS**

Ms. Jordan suggests that AEC will not serve some areas for some months or years and should be required to have a transition plan for existing providers as she asserts that we will ...”put the other providers out of business.” For that reason, she asks that the grant not be approved unless AEC provides proof that it is compensating or working with existing providers.

First, we note that this is an underserved community and AEC’s efforts are intended to help improve the availability of service, not drive out competitors. In fact, AEC has an aggressive build out plan that exceeds the grant minimum requirements. Ms. Jordan’s comment about the fate of other providers is an expression of opinion. AEC’s competitors may continue to serve the community and people are free to choose to continue to use their services.

As a cooperative, AEC’s main concern is for the well-being of our community and our members. This includes our business community. Thus, although AEC has no obligation to do so, we have stated publicly that we are willing to work with existing providers by offering them access to bandwidth on our fiber optic network, at a fair and competitive price. To date, no existing provider has expressed interest in this offer.

In summary, Ms. Jordan’s objections offer no basis for denying the grant.

#### **5. Conclusion**

Anza Electric Cooperative, Inc. submits that the comments filed should be rejected as they were not submitted in accordance with the rules and in any event have not identified any factual, legal or technical errors in the draft resolution. Anza is appreciative of the time and effort spent by the CPUC in processing our grant request. We look forward to working with CPUC staff towards the successful completion of the ConnectAnza project.

We respectfully request that CPUC Resolution T-17503 be approved in its entirety as submitted.

/S/ Kevin M. Short  
General Manager  
Anza Electric Cooperative, Inc.