



CALIFORNIA ADVANCED SERVICES FUND



AB 1665 Changes and Staff Proposal

Regional Consortia Learning Summit

Tuesday, March 6, 2018



Presentation Overview

- AB 1665 Changes to CASF Program
- Infrastructure Account
 - Line Extension
- Consortia Account
- Public Housing Account
- Adoption Account
- Q/A





AB 1665 Changes to CASF Program

Old Program Accounts and Budget Balance (approximates as of Jan 1, 2018, includes state ops)

- Infrastructure \$33M
- Infrastructure Loan \$3M
- Consortia \$0.95M
 - Infrastructure and/or adoption
- Public Housing \$12M
 - Infrastructure
 - Adoption

New Program Accounts and New Monies – total \$330M

- Infrastructure \$300M
 - Line Extension \$5M included
- No new Loans (3 granted)
- Consortia \$10M
 - Infrastructure only activities
- Public Housing (no new \$)
 - Infrastructure
 - Adoption
- Adoption \$20M





Staff Proposal in R.12-10-012

- Amended Scoping Memo and Ruling of Assigned Commissioner issued on February 14, 2018
- Interested parties to file comments on the Staff Proposal to implement the program
 - Phase I: Broadband Adoption, Public Housing and Loan Accounts (Comments due March 16; Reply Comments due April 2)
 - Phase II: Infrastructure, Line Extension and Consortia Accounts (Comments due April 16; Reply Comments due May 1)





INFRASTRUCTURE GRANT ACCOUNT





AB 1665 Implementation Requirements

- 98% Infrastructure availability goal by consortia region.
- Projects that only deploy middle-mile infrastructure are not eligible for grant funding.
- Eligible Projects
 - An area containing unserved households and that is not within a CAF II, ROFR, or existing CASF project area.
 - CAF II areas remain project eligible to a corresponding existing facilities based provider to extend service within its CAF II area.
 - Capable of offering at or above 10/1 Mbps, irrespective of the project's technology.





Staff Infrastructure Proposal

- Prioritize areas for grants (e.g. low-income areas, unserved households with no service).
 - Set-Aside: A minimum of \$100M to benefit low-income communities through all forms of applications.
- Improve and streamline application review process.
 - Expedited Ministerial Review for low-income communities and low cost projects.
 - Request for Proposal Ministerial Review for high-priority areas.
 - Remove bond requirement.
- Establish Submission and Selection Timelines
 - Annual submission of CASF grant applications due three months after publication of the annual ROFR determinations (on the Interactive Broadband Map)





LINE EXTENSION PROGRAM (LEP)





AB 1665 Implementation Requirements

- The LEP provides grants to individual households or property owners to offset the costs of connecting to an existing or proposed facility-based broadband provider.
- Any infrastructure built with LEP funds shall become property of, and part of, the network of the provider.
- The Commission is required to consider limiting funds to households based on income, and to limit grants on a per-household basis.
- The grantee is required to pay for a percentage of the project.





Staff LEP Proposal

- Limit grants to qualifying low-income applicants except when the properties are used for designated activities, such as farming or education.
- Provide a high level (95%) of subsidy for low-income applicants.
- Limit line extension to unserved households; it can be overhead, underground or wireless.
- Applicant secures a proposed contract.
- An expedited review process will be available to projects that meet certain conditions.
- Reporting and payment are provided when the project is complete; payment is made to the provider.
- The proposed project needs to be completed in one year.





CONSORTIA ACCOUNT





AB 1665 Implementation Requirements

- Changes consortia eligibility and requires that monies are available for assisting infrastructure applicants in the project development or grant process.
- Requires each consortium conduct an annual audit of its expenditures and submit to the Commission an annual report.





Staff Consortia Proposal

- Acceptable Activities – Public engagement and identifying priority areas and cost-effective strategies; identifying potential CASF infrastructure projects/opportunities; assisting infrastructure development and applications.
- Eligibility – Allow both existing and newly formed consortia to submit applications.
 - One consortium per geographic region.
- Performance metrics – Action and Work Plans
- Submission and Timelines – TBD for new consortia
- Reporting/Progress reports – bi-annual vs. quarterly reporting





PUBLIC HOUSING ACCOUNT





AB 1665 Implementation Requirement

- After all existing funds available in the Public Housing Account are awarded, a publicly supported community can apply for funding from the Infrastructure and/or Adoption Account.

Staff Public Housing Proposal

- Reduce reporting requirement.
- Coordinate schedule for reporting and payment.
- Provide 'Ramp-up' period for digital literacy projects to be within six months.
- Application window is set for two times a year instead of four times a year, in coordination with the Adoption Account.





ADOPTION ACCOUNT





AB 1665 Implementation Requirement

- Increase publicly available or after-school broadband access and digital inclusion.
- Monies in this account shall not be used to subsidize the costs of providing broadband service to households.
- Give preference to programs in communities with demonstrated low broadband access.
- Eligible applicants—local governments, senior centers, schools, public libraries, nonprofit organizations, and community-based organizations with programs to increase publicly available or after school broadband access and digital inclusion.
- The Commission shall be ready to accept applications no later than July 1, 2018





Staff Adoption Proposal

- **Digital Literacy Project** – fund up to 85% of the costs
 - Digital inclusion such as digital literacy training programs and public education.
- **Broadband Access Project** – fund up to 85% of the costs
 - Free broadband access in community training rooms or other public space.
 - Community outreach, such as analysis and comparison of Internet plans.
- **Submission and Timelines**
 - July 1, 2018 and semi-annually until all funds are awarded
- **Review Criteria**
 - Expedited review – criteria include funding request of \$50,000 or less.
 - Resolution review – requests that do not meet the expedited review criteria.





Q&A/Thank you!





Resources

- CASF Website
 - <http://www.cpuc.ca.gov/casf/>
- CASF Annual Reports
 - <http://www.cpuc.ca.gov/General.aspx?id=9226>
- California Broadband Availability Map
 - <http://www.broadbandmap.ca.gov/>

