

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Consider
Modifications to the California Advanced
Services Fund.

Rulemaking 12-10-012

**COMMENTS OF THE CALIFORNIA CABLE & TELECOMMUNICATIONS ASSOCIATION
ON THE AMENDED SCOPING MEMO AND RULING OF ASSIGNED COMMISSIONER**

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Date: March 16, 2018

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The California Cable & Telecommunications Association (CCTA) submits these comments on the Phase I Staff Proposal (Staff Proposal) addressing the Broadband Adoption Account and the Broadband Public Housing Account (BPHA). CCTA largely supports the Staff Proposal regarding the Broadband Adoption Account, and the Commission’s interest in promoting private-public partnerships. The CCTA membership, which has long provided significant adoption programs throughout the country, looks forward to partnering with organizations that receive support for adoption programs from the California Advanced Services Fund (CASF).

CCTA also supports most of of the changes to the Broadband Public Housing Account proposed in the Staff Proposal, and agrees that most of the proposed changes are “relatively non-complicated issues.” (Scoping Ruling at 4). However, CCTA respectfully recommends that the Staff Proposal include additional changes to: (i) verify an applicant’s permission for use of facilities-based service and prioritize long-term solutions for service within buildings; (ii) clarify the application challenge process; and

(iii) emphasize the focus on broadband adoption by ensuring applicant's demonstrate measurable adoption outcome ¹.

I. Cable Providers' Adoption Programs Can Boost the Commission's Adoption Efforts.

The Broadband Adoption Account is available to increase publicly available or after-school broadband access and digital inclusion (e.g., grants for digital literacy training programs and public education to communities with limited broadband adoption). Because one of the primary barriers to broadband adoption is the absence of digital literacy skills the success of these programs will be measured by their ability to increase the rate of broadband adoption. ¹ Accordingly, it is important for the Commission to require applicants to include in their project description their strategy for ensuring new residential broadband subscriptions (e.g., connecting participants with service providers or hosting broadband subscription sign-up events).

The current programs offered by the cable industry to encourage adoption can synergize with Commission-supported-adoption programs. The cable industry partners with a wide variety of national organizations and local community groups to offer digital literacy classes that explore the benefits of being online and teach skills to safely use the

¹ Pub. Util. Code § 914.7 "[T]he commission shall provide a report to the Legislature that includes all of the following information: ... (10) The number of subscriptions resulting from the broadband adoption program funded by the California Advanced Services Fund.")

Internet. For example, the Connect2Compete program offered by Cox Communications, Mediacom and Suddenlink (now, Altice) provides discounted broadband service, discounted computers and digital literacy training in their service territories. Cox's Connect2Compete program aims to eliminate the digital divide by making high-speed, low-cost Internet, computers, and free digital literacy accessible to all unconnected Americans. Comcast's Internet Essentials offers low-cost broadband services, discounted computers, and digital literacy training in 39 states, including California. Charter Spectrum Internet Assist offers low cost high speed Internet, including a modem, with low-cost in-home Wi-Fi to qualifying families and seniors on the national school lunch program or Supplemental Security Income (SSI). In addition, Cox provides Technology Centers within organizations such as the Boys and Girls Club, to provide Internet services, computers and software and digital literacy training in the communities it serves nationwide. These programs offered by cable providers compliment the Commission's efforts to further increase broadband adoption in California's communities.

CCTA also suggests that the Broadband Adoption Account program be clarified to ensure that program funds not be used for any inside network setup other than to connect computers purchased with fund money to an existing inside network. This limitation is clear in the section enumerating potential project description (App. B, p. 6, section 1.n) but is ambiguous in the general description of Broadband Access project (App. B, p. 4). CCTA believes it is the Commission's intent to limit funding to programs

specifically promoting wider adoption of broadband access through the program, not to build out infrastructure.

II. The Cable Industry Supports the Staff Changes to the BPHA Program with Some Additional Changes to Further Align the Program with Adoption Goals.

CCTA supports most of the proposed changes to the BPHA. However, CCTA respectfully recommends a few additional changes to: (i) verify permission for facilities-based use and prioritize long-term solutions; (ii) clarify the challenge process; and (iii) emphasize a focus on broadband adoption. These additional changes, will improve CASF efficacy and promote investments in priority low income households and communities consistent with the proposed scope of this proceeding and the intent of the law.

First, the Commission should require non-facilities based applicants for BPHA funding to attest that they have the requisite right from the underlying facilities-based provider to provide broadband service to the public housing project. In addition, as part of its review of the application, the Commission should confirm that applicants have not violated acceptable use policies. The acceptable use policies of most Internet service providers in the state do not permit a customer to resell the broadband service provided by the existing provider, or otherwise make available to anyone outside the service locations the ability to use the service (for example, through Wi-Fi or other methods of wireless networking), unless expressly permitted by the applicable Business

Services Agreement.² Violation of such policies is both unlawful and can pose a danger to network security.³

If a BPHA Infrastructure Project applicant relies on wired facilities to provide service (e.g., through a wireless networking solution), the Commission must ensure, as part of the application process, that the applicant has an agreement in place with the underlying facilities-based provider to provide the broadband services contemplated under the application. The public interest is not served in funding an applicant that does not have the requisite legal right to provide the service that they are committing to provide.

Second, the Commission staff should prioritize long-term solutions when granting funds to encourage adoption. For example, while wireless technology is increasing in capability, wireless routers have a relatively short lifespan³ as compared to wired solutions.⁴ To encourage long-term solutions, the Commission should prioritize wired solutions for BPHA Infrastructure Projects that will be capable of providing service longer than the next five years.

² See, e.g., Comcast Business Acceptable Use Policy, available at <https://business.comcast.com/customer-notifications/acceptable-use-policy>; Charter Spectrum Acceptable Use Policy at <https://businesssolutions.brighthouse.com/about-us/our-policies/acceptable-use-policy.html>; Cox Communications Acceptable Use Policy at <https://www.cox.com/aboutus/policies/business-acceptable-use-policy.html>.

³ See, e.g., <http://www.govtech.com/security/Are-You-Safe-from-the-Third-Party-Threat.html> (“The vulnerability in many recent data breaches in both the public and private sectors has been third-party access points....”).

⁴ See, e.g., <https://www.techwalla.com/articles/how-long-do-routers-last>

Third, the challenge process for grant applications for both the Adoption program and the BPHA should be transparent. The Staff Proposal currently provides public notice of applications by placing all applications on the Commission’s website. While this notice is important and useful, this proposal would require stakeholders to constantly check the Commission website for updates. CCTA recommends that, in addition to placing an application on the Commission’s website, the staff, or the applicant, serve notice of the application to the CASF service list. Indeed, the establishment of a service list is mandated by the legislation, which provides that: “The commission shall establish a service list of interested parties to be notified of any California Advanced Services Fund applications.”⁶ In addition, other than identifying that there is a two-week period for challenges, Appendix B provides no specificity regarding content of challenges or the ramifications of a challenge being made. At minimum, Appendix B should be modified to indicate that challenges should be made and will be considered pursuant to existing Commission procedures as set forth in D.14-12-039 or to future provisions which may be adopted after consideration of Appendix C to the Amended Scoping Ruling. In particular, with regard to the expedited review process set forth in Appendix B, the Commission should consider adopting procedures in which a challenged application would move from the expedited process to a resolution process if a challenge raises legitimate concerns with the application. Finally, as mentioned above, the success of the BPHA adoption projects will be measured by their ability to

⁶ Pub. Util. Code § 281(f)(10).

increase the rate of broadband adoption. Accordingly, it is important for the Commission to require applicants to include in their project description their strategy for ensuring new residential broadband subscriptions (e.g., connecting participants with service providers or hosting broadband subscription sign-up events).

III. Conclusion

For the reasons stated above, CCTA generally supports the Staff Proposal in regards to the Broadband Adoption Account and BPHA. However, CCTA recommends additional changes to the BPHA to: (i) verify permission for facilities-based use and prioritize long-term solutions; and (ii) clarify the challenge process. Additionally, CCTA recommends the Commission focus on broadband adoption as the key outcome for both the BPHA adoption projects and Broadband Adoption Account.

Date: March 16, 2018

Respectfully submitted,

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