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DELIVERED VIA E-MAIL

October 11 2013

Ms. Ana Maria Johnson Communications Division California Public Utilities Commission 505 Van Ness Avenue, 3rd Floor San Francisco, CA 94102

Re: Comments of Verizon California Inc. on Draft Resolution T-17422

Dear Ms. Ana Maria Johnson:

Verizon California Inc. (Verizon), provides these comments on Draft Resolution T-17422 regarding WillitsOnline' CASF application. Verizon previously noted in its March 11, 2013 email to staff that carriers would be submitting updated broadband data in July in response to the Data Requests submitted as part of NTIA's State Broadband Data and Development Grant Program. Verizon recommended that staff should consider reviewing the data submitted in July (that is, "Round 8" data) to ensure that proposed projects actually meet the CASF program requirements based on the most recent data. Verizon's intent was to assist Staff in ensuring public funds are expended for only meritorious and compliant projects.

To that end, Verizon recommends two fundamental changes to the Draft Resolution, which should result in revisions to the project. First, the Commission should modify the Draft Resolution to show that there is wireless broadband in significant portions of Boonville at speeds in excess of 6 mbps download and 1.5 mbps upload. The Commission's Interactive Broadband Map (IBM) shows that most of the project area is served with existing wireless broadband service at speeds above the 6/1.5 Mbps threshold.¹ Inexplicably, the Draft Resolution relies on dated data when it could rely on the recent

¹ Verizon also notes that the draft Resolution appears to have incorrect zip code and CBG information for Boonville. Both the draft Resolution and Appendix A indicate that "the CBGs impacted by the project are: 060450116002 and 060450106003." Verizon believes that Boonville actually is in CBG 6045112003 and 6045112002 (with CBGs 6045113003 and 6045118001 directly to the East on the road to Ukiah.) In addition, the Appendix A lists the zip codes as 94513 and

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Round 8 broadband data, or the Spring 2013 speed test data, both of which "show speeds greater that 6Mbps download and 1.5Mbps upload"² in Boonville. For example, the IBM currently reports availability of Verizon Wireless broadband service in Boonville in excess of the 6/1.5 Mbps benchmark. Similarly, "Round 3" Mobile Field Test Results in the project area also reported speed test result above the benchmark for Verizon Wireless, confirming the area is not underserved.³ In short, the Commission's own information demonstrates that a significant portion of Boonville is not underserved because of the availability of higher than benchmark wireless broadband service. Retaining areas of the project where wireless broadband exists at speeds in excess of the benchmark amounts to legal error—that is, does not comply with the requirements of the CASF program—and must be corrected.

Second, the discussion relating to price should be deleted as the price of existing broadband service is not a factor in determining the availability of broadband. In D.12-02-015, the Commission implemented new guidelines for the Infrastructure Grant and Revolving Loan Accounts, including redefining an underserved area as "where broadband is available, but no wireline or wireless facilities-based provider offers service at advertised speeds of at least 6 mbps download and 1.5 mbps upload." That alone identifies an underserved area. The Draft Resolution considered pricing in determining whether the project area is served, but D.12-02-015 does not provide for Staff to use prices for deciding whether an area is underserved or not. The Draft Resolution thus errs in finding that the proposed Boonville Project area is an underserved area. (Draft Resolution at 5-6)

The Draft Resolution should be revised accordingly.

Please contact me if you have any questions.

Sincerely,

Kurt Rasmussen Vice President Government Relations

c: Service list attached to the Notice of Availability

^{95494.} However, 94513 is Brentwood, CA, while 95494 correspond to Yorkville, CA (11 miles South of Boonville.) Boonville, CA zip code is 95413.

² Available at <u>http://www.broadbandmap.ca.gov/v2.1/</u>

³ See row 8261 in the excel file available at <u>http://www.cpuc.ca.gov/NR/rdonlyres/A174769D-06B5-48B6-B5C2-</u> 22D9F8A48861/0/Third_Field_Test_Results_v_1_Public.xls