



PROMOTING BROADBAND IN RURAL AREAS OF CALIFORNIA



Commissioner Catherine J. K. Sandoval
California Public Utilities Commission

Select Committee on the Digital Divide in Rural California

Assembly – California Legislature

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California Programs - Overview

- California Advanced Services Fund (CASF)
- California Teleconnect Fund (CTF)
- California LifeLine
- Broadband Mapping & Mobile Drive-Test Project
- California Broadband Council
- Digital Infrastructure and Video Competition Act (DIVCA)
- California Emerging Technology Fund (CETF)



California Advanced Services Fund

- Encourage deployment of high-quality advanced communications services to all Californians
- Provides grants/loans for broadband infrastructure projects in unserved and underserved areas of the state, and grants to regional consortia groups for activities other than broadband infrastructure deployment
- Senate Bill 740: Approved funding for infrastructure projects to provide broadband access to no less than 98% of California households by December 31, 2015
- New Public Housing Account established per AB 1299; \$25 million funding to be awarded by December 31, 2016
- Broadband Consortia funding renewed on Sept. 2, 2015, per AB 1262 (Wood)
 - To date, the CPUC awarded the following for the CASF accounts:
 - 1). Infrastructure Grant Account: approx. \$105 million
 - 2). Revolving Loan Account: approx. \$126,654
 - 3). Consortia Account: approx. \$9.3 million
 - 4). Public Housing Account: approx. \$1.7 million





California Teleconnect Fund

- Created by Decision (D.) 96-10-066, original universal service decision
- Annual Budget of \$92 million
- Funded by surcharge on intrastate telecommunications services
- 50% discount on the monthly recurring charges, excluding usage fees, of eligible services (Measured Business Service Lines, Switched 56 Lines, ISDN, T-1 & DS-3 services up to OC-192, Internet access, Multi-Protocol Label Switching [MPLS], and/or functional equivalents of these)
- Eligible entities: schools & school districts, libraries, hospitals and health clinics, CBOs, community colleges
- California Telehealth Network
- In D.15-07-007, the Commission resolved Phases I & I of R.13-01-010, the rulemaking to update the CTF





California LifeLine

Game-changer in providing communications services to low-income Californians

Wireless providers/users now eligible ([D.14-01-036](#)) -

- Designed to complement FCC Lifeline
- CPCN or Wireless Identification Registration (WIR) required to participate; ETC designation required for Federal Lifeline support
- Within 18 months since launching, about **1.6 million of 2.2 million California LifeLine participants** have chosen discounted wireless services
- Stand-alone voice required but bundles allowed, enhancing broadband availability
- California maximum support level \$12.65 compared to federal \$9.25
 - 1,000 minutes+ at \$12.65 support level
 - 501-999 minutes at \$5.75 support level
 - The CPUC will implement a process for those without Social Security Numbers to participate in the California LifeLine Program





Broadband Mapping

- **Broadband Mapping Program –**

The CPUC collects data regarding the availability of broadband services, speeds offered and the technology used to provide them. This program was originally funded by the American Recovery and Reinvestment Act (ARRA).

- **California Interactive Broadband Map**

The California Interactive Broadband Map is a tool for California citizens and policy makers to find and investigate broadband services in California. The map is updated approximately every six months, and new functionality will be added as it becomes available.

- **Mobile Broadband Drive-Test Project** - Starting 2012, every six months through 2014, the CPUC sends teams to drive around the state and measure mobile broadband service availability, both with smartphones and tablets

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California Broadband Council

- The [California Broadband Council](#) was established by legislation in 2010 (S.B. 1462 – Padilla) to marshal the state’s resources to further the objectives of increasing broadband network deployment, and eliminating the Digital Divide by expanding broadband accessibility, literacy, adoption, and usage.
- The Council is charged with reviewing implementation of the 2008 Broadband Task Force Report recommendations and improving coordination among state agencies. The Council will help applicants to compete more effectively for federal funds made available through the National Broadband Plan, building on the \$420 million in broadband infrastructure grants from the federal American Recovery and Reinvestment Act (ARRA) and the \$57 million in California Advanced Services Fund grants already awarded in the state.
- Working Groups cover:
 - **Identifying state buildings and structures for equipment collocation**
 - **Address local barriers to deployment and adoption**
 - **Disposition of state surplus computer equipment**
 - **Tribal broadband funding, deployment and adoption**





California Emerging Technology Fund

The California Emerging Technology Fund (CETF) -

- Was created as a condition of the CPUC's approving the mergers of SBC/AT&T and Verizon/MCI
- The Commission ordered SBC/AT&T to commit \$45 million and Verizon/MCI to commit \$15 million (\$60 million total) over five years to CETF
- The Commission's intention was to contribute to achieving ubiquitous access to broadband and advanced services in California through the use of emerging technologies by the year 2010
- CETF was expected to expand broadband adoption and use
- CETF focuses a significant amount of its resources on the needs of underserved communities. Underserved communities include individuals, groups, and organizations that face telecommunications challenges or disadvantages due to physical disabilities, low incomes, inadequate telecommunications infrastructure, language and cultural differences, lack of technological understanding and/or equipment, and other constraints facing members of the state.
- At least \$5 million was earmarked to fund telemedicine applications that serve California's underserved communities, particularly rural areas and facilities with a large number of indigent patients.
- CETF continues with the original seed capital supplemented by NTIA and ARRA grants and other contributions





Urban-Rural Definitions (US Census Bureau)

Urban:

- *Urbanized Areas (UAs)* of 50,000 or more people; or
- *Urban Clusters (UCs)* of at least 2,500 and less than 50,000 people

Rural encompasses all population, housing, and territory *not* included within an urban area.





California Urban-Rural Definitions (US Census Bureau)

Urban-Rural Breakdown

CLASS	AREA (SQ. MI.)	% OF TOTAL	POPULATION	% OF TOTAL	HOUSEHOLDS	% OF TOTAL
URBAN	8,300	5%	36,801,862	95%	12,145,822	95%
RURAL	150,154	95%	1,912,863	5%	684,213	5%
TOTAL	158,454	100%	38,714,725	100%	12,830,035	100%





Broadband Availability

Current Speed Definitions - State of California

<u>Status</u>	<u>Definition</u>
Served	≥ 6 Mbps down & ≥ 1.5 Mbps up
Underserved	≥ 768 Kbps and < 6 Mbps down, <i>and</i> ≥ 200 Kbps and < 1.5 Mbps up
Unserved	< 768 Kbps down <i>and</i> < 200 Kbps up





Broadband Availability

Speed Definitions – FCC

- 2010 standard: 4 Mbps down & 1 Mbps up
- Connect American Fund Requirement:
 - 10 Mbps down & 1 Mbps up
- 2015 Broadband Progress Report (Section 706) Benchmark:
 - 25 Mbps down & 3 Mbps up
- The FCC concluded:
 - “Using this updated service benchmark, the 2015 report finds that 55 million Americans – 17 percent of the population – lack access to advanced broadband. Moreover, a significant **digital divide** remains between urban and rural America: Over **half** of all rural Americans lack access to 25 Mbps/3 Mbps service. The divide is still greater on Tribal lands and in U.S. territories, where nearly 2/3 of residents lack access to today’s speeds.” [Emphasis in original.]
 - <https://www.fcc.gov/reports/2015-broadband-progress-report>





Connect America Fund II California

CAF support per carrier per year (for six years)

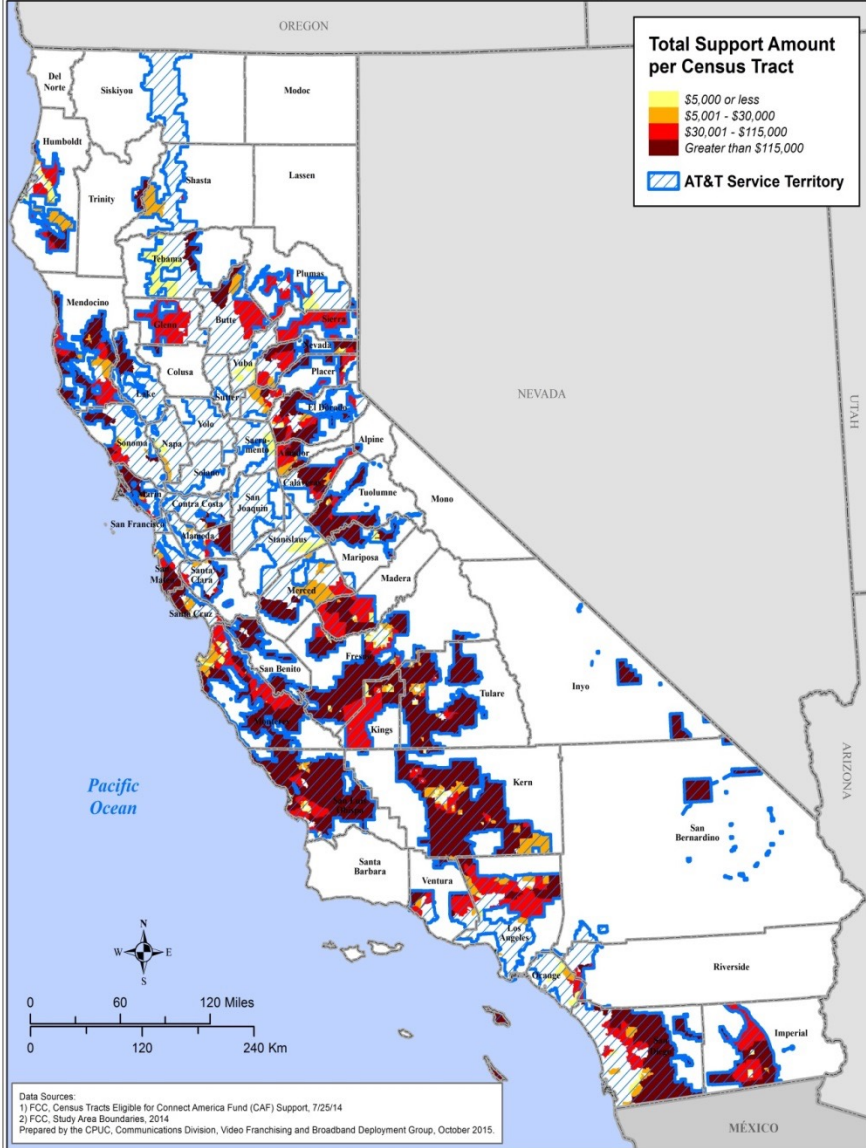
- AT&T 141,540 served \$60,097,000 /yr
- Consolidated 71 served \$14,837 /yr
- Frontier [non Verizon] 12,822 served \$6,096,767 /yr
- Verizon [Frontier] 77,402 served \$31,978,057 /yr

<https://www.fcc.gov/document/connect-america-fund-phase-ii-funding-carrier-state-and-county>





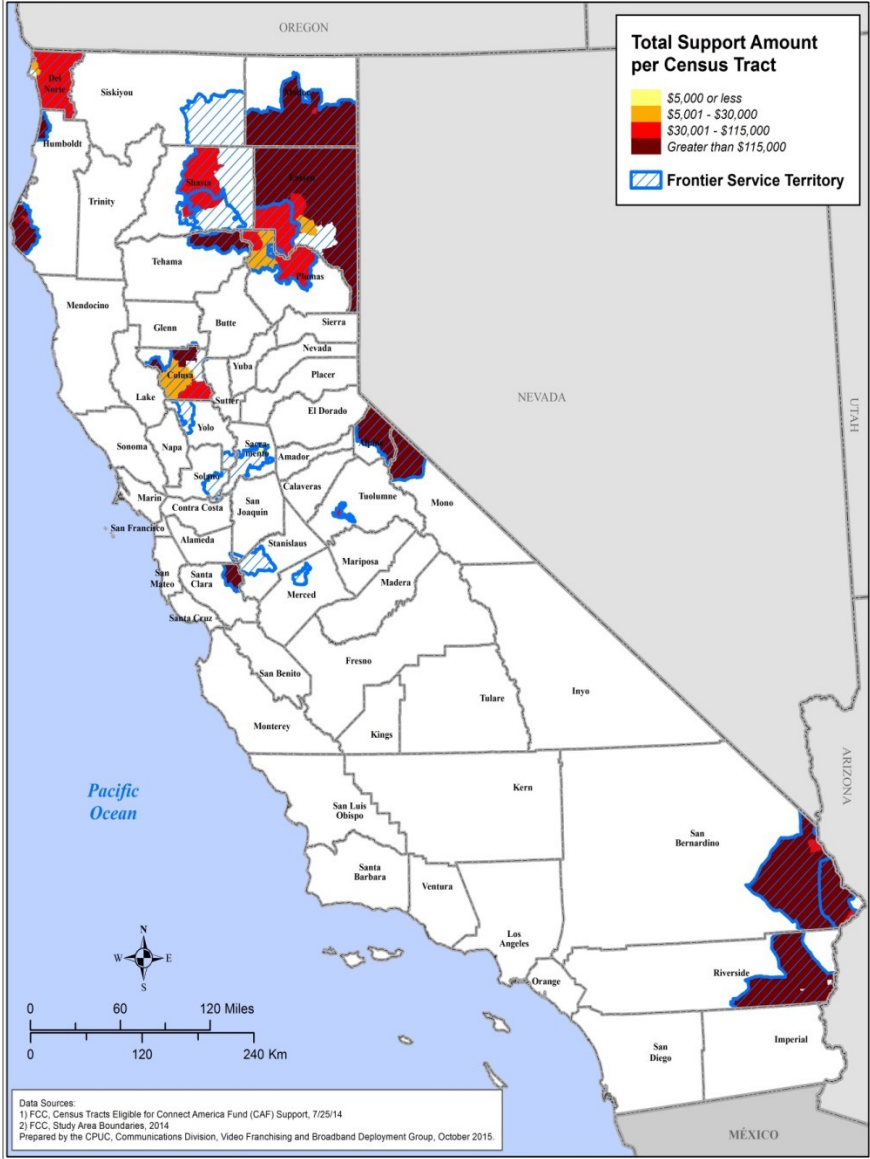
FCC POTENTIAL CAF FUNDING AREAS AT&T Service Territory





FCC POTENTIAL CAF FUNDING AREAS

Frontier Service Territory





FCC POTENTIAL CAF FUNDING AREAS Verizon Service Territory

