

California Public Utilities Commission

Statewide Broadband Meeting

California Advanced Services Fund (CASF)



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CASF Background

- **The Commission established the \$100 million CASF Program in D.07-12-054 (December 20, 2007)**
- **The CASF Program initially provided matching funds up to 40% of the total project cost; recipient provides 60%**
- **Projects that build out facilities to provide broadband services to unserved areas (areas without broadband access except through dial-up or satellite) and to underserved areas (areas where no facilities-based provider offers service of at least 3 megabits per second download and 1 megabit per second upload)**
- **Final approval of projects is done through Commission resolution**
- **The program sunsets on January 1, 2013**

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Eligibility Criteria Expansion

- **In July 2009, through Decision 09-07-020, the Commission:**
 - **expanded the eligibility criteria to applicants who are also seeking American Recovery and Reinvestment Act funding**
 - **continued the 40% matching grant concept but also provided the potential for applicants to seek 10% CASF matching funds while pursuing broadband deployment funds of up to 80% under the ARRA.**
 - **expanded the application requirement to entities other than telephone corporations provided CASF funding is pursued in conjunction with ARRA in conjunction with AB 1555 (Chapter 24, Stats 2009)**
- **Resolution T-17233 (October 29, 2009) adopted application requirements for Broadband Providers / Applicants other than holders of CPCN or registered wireless providers**

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CASF Criteria for Awarding

- Applicants must prove that the area is unserved or underserved
- Applicants must comply with the requirements of Resolutions T-17143 and T-17233 (e.g., maps, CBGs and Zip codes of proposed area)
- Applications are scored according to the following criteria (applied where there are competing applications for the same area)
 - Funds Requested per Potential Customers 40 pts
 - Speed 20 pts
 - Service Area 15 pts
 - Timeliness of Completion of Project 5 pts
 - Pricing 10 pts
 - Guaranteed Pricing Period 5 pts
 - Low-Income Areas 5 pts
 - 100 pts

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Projects Approved for Funding

- **As of April 2010, the Commission has approved CASF grants for 42 projects amounting to \$87.11 million, covering 28,741 square miles, and benefiting 294,857 households**
 - **Unserved areas: 17 projects, \$12.04 million, 4,302 square miles, and 33,327 households**
 - **Underserved areas: 25 projects, \$75.07 million, 24,438 square miles, 261,530 households**
 - **29 of the 42 projects totaling \$21.30 million were awarded a 40% grant**
 - **13 of the 42 projects totaling \$65.81 million have been granted conditional approval (i.e., approval is dependent on the applicants' securing ARRA funding for 80% of the broadband project's cost). Only two CASF grantees have been able to secure recovery Act funding**

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Statewide Map of Approved CASF Projects as of April 2010



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Status of Approved Projects

- **Of the projects awarded CASF funding to date:**
 - **Two projects have been completed: Frontier's Pinyon project in Riverside County and Citizen's Livingston project in Merced County**
 - **Two projects, Willits Online's Covelo and Laytonville projects, in Mendocino County are about 70% complete**
 - **20 projects have started construction and will be completed in mid-2010 up to mid-2011**
 - **Other projects are under CEQA review and undergoing pre-construction activities or are pending Recovery Act funding**

- **Funding for 7 CASF approved projects that were not successful in securing Recovery Act funds in round 1 and were not resubmitted for Recovery Act funding in round 2 are expected to be rescinded later this month, freeing up funds, of approximately \$38 million allocated to these projects.**

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New CASF Developments

- **Evaluation of 13 applications for \$28 M CASF funding to match Recovery Act applications submitted during the second round**
- **Senator Padilla introduced SB 1040 which:**
 - **Increases CASF appropriation from \$100 million to \$225 million**
 - **Encumbers \$25 million per fiscal year beginning July 1, 2010 through FY 2015 - 16 for the following:**
 - **\$20 million for the Broadband Infrastructure Grant Account**
 - **\$2 million for the Rural and Urban Regional Broadband Consortia Account, and**
 - **\$3 million for the Broadband Infrastructure Loan Funds Facility Account**