

Broadband USA Applications Database

Applicant Name: Regents of the University of California

Public Notice Submissions

-----**Service Area:** CTN_ServiceArea1

Submitter: Interwest Management Services Inc. dba Fire2Wire

Comment: Fire2Wire has been servicing rural areas within the San Joaquin Valley since 2002. The market price of residential broadband Internet service in this area is at a current low, due to wireline service promotions and other competing rural providers. The heavy use of license-exempt equipment for broadband Internet service, as well as for consumer devices, makes it unlikely that an additional operator could successfully deploy a wide-scale network using license-exempt equipment. In addition, the San Joaquin Valley's proximity to grandfathered fixed satellite stations makes deploying 3.65GHz equipment under FCC part 90 difficult in most areas. It is our belief that the proposed service area could not sustain additional competition without causing a notable loss of jobs within the various smaller rural providers.

Submitter: Foresthill Telephone Company, dba Sebastian

Comment: Foresthill Telephone, dba, Sebastian, is challenging the applications for ARRA funding for the Foresthill Telephone exchange. The Foresthill telephone exchange exceeds the federal NTIA/RUS unserved and underserved definition. Audeamus, a non-regulated affiliate of Sebastian launched high-speed Internet service back in 2005 consistent with the acquisition of this exchange. Sebastian is currently offering the choice of 6 Mbps, 2.5 Mbps, and 1.5 Mbps to its customers. The Foresthill Telephone exchange has a broadband penetration rate estimated at 58% and growing. As stated in the NOFA ARRA grants are designed to fund areas where no broadband connectivity exists (i.e. are either unserved or underserved). This is not the case in the Foresthill exchange. Applicants also fail in the requirement to demonstrate that service would not exist absent support from the grant funds – services already exist in this area. As the area served by Sebastian does not meet the required criteria, the request for funding in our service territory for this application should be denied.

Submitter: WaveDivision Holdings, LLC

Comment: WaveDivision Holdings, LLC (“Wave”) is a facilities-based, terrestrial provider of high speed Internet, cable television and telephone services. Wave is not challenging the middle mile application

submitted by Regents of the University of California ("Applicant"), however any federal funding for Applicant's middle mile project must expressly prohibit the use of such funds to provide last mile service in the proposed funded service area.

Submitter: Sierra Telephone Company, Inc.

Comment: Public Response:

Sierra Telephone Company, Inc. and its affiliates (collectively "Sierra Telephone") hereby challenges this application for American Recovery and Reinvestment Act ("ARRA") funding in Sierra Telephone's service territory. Sierra Telephone provides Broadband services over a Digital Subscriber Line platform in its service territory, in a manner that exceeds the federal National Telecommunications and Information Administration ("NTIA") and Rural Utilities Service ("RUS") unserved and underserved definitions. The area for which ARRA funding is sought in this application overlaps with the area that Sierra Telephone serves with broadband, and to the extent of such overlap, the application must be denied.

Sierra Telephone's service territory is neither "unserved" nor "underserved." As defined in the Notice of Funds Availability ("NOFA"), an area is classified as unserved if 90% of households lack access to broadband services. The percentage of households that lack access to broadband services at the minimum broadband transmission speeds in Sierra Telephone's service territory that overlap the applicant's proposed unserved area is well below the 90% threshold.

As defined in the NOFA, an area is classified as underserved if one of the following criteria are met: (1) no more than 50 percent of the households in the proposed funded service area have access to facilities-based, terrestrial broadband service at greater than the minimum broadband transmission speed of 768 kbps downstream and 200 kbps upstream; (2) no fixed or mobile broadband service provider advertises broadband transmission speeds of at least three megabits per second downstream in the proposed funded service area; or (3) the rate of broadband subscribership in the proposed funded service area is 40% or less. None of these standards for defining an underserved area can be met as to the portion of the proposed funded area that overlaps with Sierra Telephone's service territory. The rate of broadband subscribership for households in Sierra Telephone's service territory that overlap the applicant's proposed underserved area is well above the 40% threshold. Further, Sierra Telephone provides facilities-based, terrestrial broadband service to more than 50% of the households in its service territory. Sierra Telephone does not have information in its possession regarding the advertised speeds for any fixed or mobile broadband offerings in the proposed funded service area. However, Sierra Telephone understands that a satellite-based Internet Service Provider, HughesNet, offers broadband speeds of 3mbps or greater.

As stated in the NOFA, ARRA grants are designed to fund areas where insufficient broadband connectivity exists (i.e. it is designed to target areas that are either unserved or underserved). This is not the case in Sierra Telephone's service territory. In addition to the applicant's failure to meet the proper definitions of unserved and underserved relative to the proposed funded service area, the applicant also

has demonstrated that service would not exist absent support from the grant funds. As described herein, services already exist in this area, including those provided by Sierra Telephone. Broadband is widely available in the area, and subscribership exceeds the 40% threshold. Since the portion of the proposed funding area that overlaps Sierra Telephone's service territory does not meet the required criteria, the request for funding in Sierra Telephone's service territory for this applicant must be denied.

Submitter: Time Warner Cable

Comment: As shown in the attached map and exhibit, TWC currently provides broadband Internet access service in the Proposed Funded Service Area. In addition, we advertise service of speeds above 3 Mbps throughout this service area. We pass over 50% of households, and either (1) have actual broadband subscribership of over 40% of the households in these census blocks or (2) the combined broadband subscribership of the wireline broadband providers (including TWC) in these census blocks is reasonably likely to exceed 40%. Therefore, that portion of the proposed funded service area that overlaps Respondent's service area reflected in this response is neither "unserved" or "underserved."

Submitter: Kerman Telephone Company, dba Sebastian

Comment: Kerman Telephone, dba, Sebastian, is challenging the applications for ARRA funding for the Kerman Telephone exchange. The Kerman telephone exchange exceeds the federal NTIA/RUS unserved and underserved definition. Audeamus, a non-regulated affiliate of Sebastian launched high-speed Internet service back in 2000 and has availability to 100% of the customers in our service territory. Sebastian is currently offering the choice of 1.5Mbps, 4 Mbps, and 6Mbps to all our customers. The Kerman Telephone exchange has a broadband penetration rate of 41% and growing. As stated in the NOFA ARRA grants are designed to fund areas where no broadband connectivity exists (i.e. are either unserved or underserved). This is not the case in the Kerman exchange. Applicants also fail in the requirement to demonstrate that service would not exist absent support from the grant funds – services already exist in this area. As the area served by Sebastian does not meet the required criteria, the request for funding in our service territory for this application should be denied.

Submitter: Ponderosa Cablevision

Comment: Ponderosa has demonstrated that the service area submitted has sufficient subscribership, better than federally mandated broadband speeds and pricing equivalent to less rural areas.

Submitter: Clear Wave Cable

Comment: Our company is in the process of creating as builds to upgrade our existing cable plant to support broadband of up to 20 Mbps. As a small business, it would be detrimental to our company if the federal government were to supplement another initiative in our existing service area.

Submitter: Pinnacles Telephone Co.

Comment: Pinnacles Telephone Co. is currently capable of providing Broadband service (DSL) to most residents of southern San Benito County in and around the rural communities of Paicines, San Benito and Idria.