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PRESS RELEASE

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Historic Investment: CPUC Awards \$157 Million in Grants for Broadband Projects Across California

Additional \$50 million in Broadband Loan Loss Reserve Funding Awarded to Golden State Connect Authority

SAN FRANCISCO, Nov. 7, 2024 – The California Public Utilities Commission (CPUC) today approved \$157 million in the eighth round of grants for last mile broadband projects as part of the \$2 billion Last Mile Federal Funding Account grant program, which expands broadband internet access for underserved and unserved communities across California. This continues a rolling process of awards and recommendations, highlighting the state's commitment to bridging the digital divide through Broadband For All.

The CPUC also approved a contingent \$50 million grant from the Broadband Loan Loss Reserve Fund for Golden State Connect Authority to help expand access to reliable, affordable, high-speed broadband for rural Californians.

Continuing to invest where it matters most

Many Last Mile Federal Funding Account grant awardees are creating new networks, connecting the next generation to education, improving access to healthcare, and empowering rural and urban communities for economic development and emergency connectivity. Combined, these proposed projects will serve predominantly disadvantaged and low-income communities across the state.

Currently, the total amount in grants recommended and awarded is \$829 million for projects in 35 counties. For a full list of recommendations and awards to date, visit the CPUC's <u>Federal</u> <u>Funding Account Recommendations and Awards</u> webpage.

Last Mile Federal Funding Account grants awarded today include:

- \$61 million for five Last Mile Federal Funding Account broadband infrastructure grant projects in Amador and Solano Counties, benefiting approximately 10,000 Californians.
- \$96 million for three Last Mile Federal Funding Account broadband infrastructure grant projects in Los Angeles County, benefiting approximately 1.2 million Californians.

Last Mile Federal Funding Account grant recipients empower their communities – What they are saying

• Golden State Connect Authority Amador County Broadband Network:

"Access to reliable broadband connectivity is crucial for the prosperity of rural communities like Amador. This grant is a transformative opportunity to create a future-proof open access broadband network that not only meets today's needs but builds a thriving tomorrow. With this infrastructure, Amador County can serve as a beacon for growth—inviting businesses, empowering education, expanding critical telehealth access, and fortifying public safety." – Golden State Connect Authority Executive Director, Patrick Blacklock

• City of Vallejo:

o "The City of Vallejo, along with our P3 partner Smart Fiber Networks, is honored to receive four pivotal CPUC grants, which represent a wonderful opportunity for Vallejo's underserved communities. These grants fund essential infrastructure projects that will connect disadvantaged neighborhoods, support local economic growth, and bridge Vallejo's digital divide with affordable, reliable broadband. Utilizing the City of Vallejo's underground infrastructure, these projects minimize community disruption and costly trenching while maximizing impact." – City of

• City of Huntington Park, Los Angeles County:

"The Federal Funding Account award represents a transformative opportunity for Huntington Park. This investment will provide high-speed, reliable, and affordable internet access to our underserved residents and businesses, significantly enhancing digital equity in our community. It will empower students, support local businesses, improve public safety, and foster economic growth. We are grateful to the CPUC for recognizing the critical needs in Huntington Park, and we look forward to building a more connected and thriving future for our residents." – Huntington Park City Manager, Ricardo Reyes

• Gateway Cities Council of Governments:

"Low-income communities are behind technologically – and business as usual has left communities in several areas of California with a digital divide. We are grateful that the CPUC worked with the cities in Southeast Los Angeles County to narrow our digital divide and that of communities like ours, bringing high-speed fiber optic access to underserved Californians." – Gateway Cities Council of Governments Board President, Vilma Cuellar-Stallings

Awarding grants throughout California

Today's approval is part of a process to award last mile broadband grants to projects in every region in the state to established internet service providers, small providers, local governments, tribes, and special districts. Draft Resolutions with award recommendations will be released throughout fall, each open for public comment. These recommendations will be considered and must be approved by vote at a public CPUC <u>Voting Meeting</u>.

Future application windows will be announced as funds are appropriated.

Fueling economic growth statewide

Established under Senate Bill 156 (2021), the CPUC's Last Mile Federal Funding Account is fueling economic growth across rural, tribal, and urban communities statewide.

Since the initial round of applications closed in September 2023, the CPUC has received and reviewed 484 grant applications from every county in the state, totaling more than \$4.6 billion in requests. This overwhelming response highlights the urgent need for and the opportunity to expand internet access across California.

In addition to the Last Mile Federal Funding Account, the CPUC is investing in a suite of programs in the state's efforts in connecting millions of Californians with reliable, affordable high-speed internet, including the <u>California Broadband Equity</u>, Access, and <u>Deployment</u> (BEAD) <u>Program</u> and the <u>California Advanced Services Fund</u> (CASF).

More Information

- <u>Proposal approved</u> for Last Mile Federal Funding Account broadband infrastructure grants in Amador and Solano Counties
- <u>Proposal approved</u> for Last Mile Federal Funding Account broadband infrastructure grants in Los Angeles County
- CPUC Federal Funding Account Recommendations and Awards
- CPUC Broadband Federal Funding Account Awards Map

Broadband Loan Loss Reserve Funding

The CPUC today also approved a \$50 million grant from the Broadband Loan Loss Reserve Fund for Golden State Connect Authority (GSCA), contingent upon a finalized project list and bond terms. GSCA, an affiliate of the Rural County Representatives of California, was established in 2021 to address the broadband connectivity needs of its member counties. As a Joint Powers Authority, GSCA aims to expand access to reliable, affordable, high-speed broadband for all rural Californians.

"On behalf of GSCA, I would like to express our gratitude to the CPUC for this significant Broadband Loan Loss Reserve Fund award. With these funds GSCA will deploy last mile broadband infrastructure projects in rural communities to bridge the digital divide and bring critical high-speed internet access to underserved areas. This award represents a transformative investment in our communities, allowing for the expansion of affordable, high-speed broadband for rural Californians, creating new opportunities for education, healthcare, and economic development," said Jack Garamendi, Chair of Golden State Connect Authority and a Calaveras County Board Supervisor.

Established in 2021 as part of California Senate Bill 156 and codified in Public Utilities Code 281.2, the Broadband Loan Loss Reserve Fund aims to reduce the financial barriers to developing high-speed broadband, particularly through public networks, in underserved communities. By offering credit enhancements, the Fund enables local entities to secure more favorable borrowing rates and terms, facilitating the issuance of bonds necessary for broadband deployment projects.

"I am pleased to support these FFA grants that will help California close the digital divide and provide greater customer choice to almost two and a half million people across the State. With the allocation of almost \$160 million in grants for projects in Amador, Los Angeles, and Solano Counties, we will see high-speed internet service expanded to almost 150,000 previously unserved Californians," said Commissioner Darcie L. Houck. "I am also pleased to see \$50 million in Broadband Loan Loss Reserve funding that will leverage credit guarantees to help increase access to reliable, affordable and high-speed broadband for rural Californians. I look forward to seeing the benefits of these investments as we make sure every Californian has access to necessary broadband service."

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About the California Public Utilities Commission

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians access to safe and reliable utility infrastructure and services. Visit www.cpuc.ca.gov for more information.