Middle-Mile Broadband Initiative

Middle-Mile Advisory Committee Meeting

April 17, 2026

Minutes and Transcript

The Middle-Mile Advisory Committee met on Friday, April 17th at 10:00am PST via virtual conference and in-person.

Agenda Item 1: Welcome

Chief Deputy Director Jared Johnson welcomed everyone to the meeting, recognized the retirement of former State CIO & CDT Director, Liana Bailey-Crimmins, and thanked all MMAC members, designees, presenters and attendees.

A quorum for the meeting was established.

Member		Designee	Present	Absent
California Department of Technology	Deputy State CIO & Chief Deputy Director Jared Johnson		X	
California Government Operations Agency	Secretary Nick Maduros		X	
California Public Utilities Commission	President John Reynolds		X	
California Department of Finance	Chief Deputy Director Michele Perrault	Rosanna Nguyen	X	
California Department of Transportation	Director Dina El-Tawansy	Chief Deputy Director Cory Binns	X	
California State Senate	Senator Lena Gonzalez	Kristen Millstein	X	

California State Senate	Senator Anna Caballero	Daniel Banaru	X	
California State Assembly	Assemblymember Tasha Boerner		X	
California State Assembly	Assemblymember Cecilia Aguiar-Curry	Shannon Flores	X	
County of Monterey, District 1	Supervisor Luis Alejo		X	
County of Del Norte, District 2	Supervisor Valerie Starkey		X	

Agenda Item 2: CDT Project Updates

- **Mark Monroe, CDT MMBI Deputy Director**, provided the Executive Summary Report:
    - This month, CDT finalized its agreement with the Bishop Paiute Tribe and established the first successful connection of a last-mile provider to the state's Middle-Mile Broadband Network.
    - Over 70% of the total planned network is now permitted, adding another 670 miles since January alone.
    - Construction progress is nearing 45% completion, with more than 380 new miles of fiber built during that same period.
    - A network operator, Skyline Technology Solutions, has been selected and is scheduled to begin service in July 2026.
    - Maintaining close coordination with CPUC and the Federal Funding Account awardees, with up to 65 locations actively planning to connect to the middle-mile network.

Agenda Item 3: Project Updates

CDT

- **Mark Monroe Deputy Director of MMBI,** provided the California Department of Technology's (CDT's) updates on MMBN operations:
    - CDT provides governance and oversight. TPA manages coordination and program-level operations. The Operator performs hands-on, day-to-day network operations. Both the TPA and the Operator report directly to CDT.
    - Skyline Technology Solutions has been officially selected as CDT's network operator, scheduled to begin service in July 2026.

- **Shannon Martin-Guzman, Project Delivery Manager, MMBI,** provided updates on the current status of the network and key activities underway:

I. **Operations Phase**
   - CDT has officially entered the operations phase of the project.
   - Progress will now be reported based on geographic regions across the state.

II. **Federal Approvals**
   - 615 miles received federal approval or progressed by leveraging existing approvals and previously authorized infrastructure.
   - 583 miles still requiring federal approval are in the permitting process.

III. **Installation Updates**
   - More than 3,000 miles of conduit and fiber installed to date.
   - Over 2,000 miles of highways and local roads are now under active construction, with 17 construction sites preparing for hut placement.
   - 2 huts have been successfully installed this month.
   - 73% of the network has been permitted and 46% of the network has been constructed.

- **Mackenzie Shea, Regional Business Manager, MMBI,** gave updates on the operational outlook and FFA last-mile projects:
   - We are forecasting construction of 1,500 miles over the next eight months, bringing us up to approximately 5,300 total miles, or nearly 65% of the network constructed by the end of this year.
   - Our target is to have roughly 4,300 miles activated and ready for customer connections by the end of 2026.
   - MMBI's customer solutions team has continued working closely with FFA awardees that intend to connect to the middle-mile, and we have begun sharing pricing and quotes for some of our core services and products.

- **Matt DeHaven, CIO & Vice President of Fiber & Infrastructure, Broadband Equity Partnership,** provided a detailed walkthrough of the pricing methodology for the State's MMBN services.
   - Pricing will be shaped by two objectives: sustainability and affordability.
   - MMBI team has undergone a rigorous multi-step process to support pricing development.

- **Monica Hernandez, Deputy Director of Communications & Stakeholder Relations,** gave an update on MMBI Stakeholder Engagement efforts and groundbreaking events:

Caltrans

- **Elias Karam, Assistant Deputy Director, MMBI,** gave updates on the Caltrans Build:
   - Of the 302 miles that are ready to construct, 124 miles have been fully constructed, while 178 miles are currently under active construction. We

are on track to complete construction for all Caltrans miles by the end of 2026.
    - All network hubs have completed preliminary design; 106 hubs are ready for construction, and the final hub is expected to be completed by mid-May 2026.

- **Aung Maung, Deputy Director, Maintenance & Operations,** gave updates on the status of partner bills encroachment permits:
    - Of the 3,035 miles submitted applications, Caltrans has issued encroachment permits for 1,555 miles.
    - Caltrans is actively assisting partners to complete the design and the environmental studies for 1,489 miles of permits currently in progress.
    - Of the 712 encroachment permits received, Caltrans has issued 461 permits, which is about 65%.
    - In February 2026, Caltrans obtained the MMBN project agreement, allowing them to review and approve most MMBN design exceptions internally.
        - More than 440 miles are expected to benefit from this streamlined approval process.
- Caltrans is committed to assisting our partner with completing the application, expediting the issuance of the inclusion permits, and supporting the successful delivery of the middle-mile broadband network through enhanced customer service and document tracking tools.

GoldenStateNet

- **Erik Hunsinger, President & COO, GoldenStateNet (Third-Party Administrator)** provided details on fiber services and revenue sources.
    - From a large network-wide perspective, there are four different buyers – competitive local exchange carriers, hyperscalers, and internet service and fiber to home providers.
    - GSN's four pillars of responsibility are technical oversight, commercial operations, asset & hut management, and program & support growth.

CPUC

- **Maria Ellis, Director of Broadband Initiatives, California Public Utilities Commission** gave the California Public Utilities Commission's updates on the Broadband Programs and Investments

Agenda Item 4: Public Comment

Public comments were made by:

- Jason Lee

Members Final Comments

N/A.

Closing Remarks

Chief Deputy Director Johnson thanked everyone for their attendance and participation. The next meeting will be Friday, July 17th from 10am – 12pm. The meeting adjourned at 12 pm.

Transcript

The Chair: Good morning, everyone. Welcome. We appreciate you taking the time to join us today. Before we begin, I'd like to take a moment to recognize former State CIO and Director of CDT, Liana Bailey-Crimmins, on her retirement after 38 years of public service to California. Liana's leadership has been instrumental to the Middle-Mile Broadband Initiative, helping guide this effort through some of its most complex challenges, while always keeping a clear focus on people, service, and outcomes. She consistently pushed us to think differently, to not accept "no" as the final answer, think creatively and strategically, and to find ways to do more with what we have. She has been a true steward of this work. She will be missed, and we will carry this work forward in that same spirit. I would also like to welcome our new MMAC member, CPUC President Mr. John Reynolds, and thank former CPUC President Ms. Alice Reynolds for all of her contributions and work on this committee. The first order of business is roll call. Ms. Alvarado, please call roll and review the meeting housekeeping items.

Alicia Alvarado: Thank you, Chair. Attendees, please note there is time allocated at the end of the meeting for public comment. Presenters, please queue Christine to advance your slides. And committee members, please use the raise hand feature on Zoom to queue the Chair to call you to speak. Now, Committee Member Roll Call. Chair Johnson.?

The Chair: Present.

Alicia Alvarado: Secretary Maduros? President Reynolds? Chief Deputy Director Perrault?

Rosanna Nguyen: Rosanna Nguyen here for Michele Perrault.

Alicia Alvarado: Director Dina El-Tawansy?

Cory Binns: Cory Binns, Chief Deputy here for Director El-Tawansy.

Alicia Alvarado: Senator Gonzalez?

Kristen Millstein: Kristen Millstein here for Senator Gonzalez.

Alicia Alvarado: Thank you. Senator Caballero? Assemblymember Boerner? Assemblymember Aguiar-Curry? Supervisor Alejo?

Supervisor Alejo: Present on Zoom.

Alicia Alvarado: Supervisor Starkey?

Supervisor Starkey: Present on Zoom.

Alicia Alvarado: Chair, we have a quorum.

The Chair: Thank you. Today, we will hear from the California Department of Technology's Middle-Mile Broadband Initiative team, as well as representatives from MMBI's Third-Party Administrator, Caltrans, and the California Public Utilities Commission. Before we begin with today's 2026 Middle-Mile Advisory Committee meeting, I'd like to ask if there are any committee members who would like to provide brief comments before we move to the project updates. Seeing no hands and nothing online. Today you will hear about significant project milestones, ongoing progress, and updates on our efforts to install and operationalize the network. With that overview, I would like to turn things over to Mr. Mark Monroe, the Deputy Director of the Middle-Mile Broadband Initiative for CDT. He will begin his presentation now.

Mark Monroe: Good morning, Chair and members. I am Mark Monroe, Deputy Director for the Middle-Mile Broadband Initiative here at CDT. Happy to again provide you with an update on the team's progress in building out the state's Middle-Mile Broadband Network. Since we last met in January, we've made significant progress on multiple fronts. I want to start my report today with a significant first for this initiative, namely the connecting of MMBN's first last-mile community, the Bishop Paiute Tribe. We can go to the next slide, please. As most of us will remember, this journey began with the Governor's bold vision of Broadband for All. This month, that vision took a historic step forward as we connected the first last-mile community and the first tribal community to California's Middle-Mile Broadband Network. This milestone really marks a defining transition for California's Broadband Initiative, moving from five years of planning and construction into delivering real, meaningful connectivity for the

unserved and underserved. And fittingly, this moment begins with the Bishop Paiute Tribe. In January of this year, we activated 423 miles of the middle-mile network along Highway 395, State Route 395, bringing that entire corridor online as the first operational segment of the state's network ready to support last-mile providers across the region. This month, we finalized our agreement with the Bishop Paiute tribe, establishing a partnership rooted in trust, local leadership, and a shared commitment to community driven connectivity. We reached a truly pivotal moment: the first successful connection of a last mile provider to the state's Middle-Mile Broadband Network with the Bishop Paiute Tribe, demonstrating what Broadband for All looks like in practice. I want to acknowledge the leadership and partnership of tribal representatives, including its IT director, Phil Fowler, and the Tribal Council, whose dedication made this achievement possible. I also want to thank and recognize Governor Gavin Newsom for his continued support and unwavering commitment to ensuring every California community - rural, urban, tribal - has access to high-quality, affordable broadband. We'll now watch a short video prepared by the communications team highlighting this milestone.

Mark Monroe: All right. Thank you to the team for putting that together to share this important event with all of us. It's very exciting. Now turning briefly to the broader progress across the initiative. Momentum continues to build at an increasing pace. And we now have 73% of the total planned network permitted, adding another 670 miles since January alone. This underscores how the project is steadily moving from planning into full execution. Construction progress continues as well. We are now at 46% completion of fiber installation with more than 380 new miles of fiber built during that same period. Evidence, again of sustained on-the-ground advancement across the state. With regards to operations, we have selected a network operator who is scheduled to begin service in July. We will be sharing more information about the selected operator in a second, here. But this marks another key step towards fully activating and operating the network for communities. We are also maintaining close coordination with the CPUC and the federal funding account awardees with up to 65 locations planning to connect to the middle-mile network. This alignment ensures that as we advance communities are positioned to take advantage of the new middle-mile infrastructure. I will be providing further detail on each of these areas later in the presentation, but taken together, the momentum is pretty clear: California's Middle-Mile Broadband Initiative is moving forward and delivering results. And that ends my executive report out.

The Chair: Thank you, Mr. Monroe. And I just want to say that the event with the Bishop Paiute tribe really brings to fruition the Administration's vision for Broadband for All and what we've all been working so hard for these years to accomplish. And the first community connected to this once-in-a-lifetime investment in broadband for the state

of California is just amazing, so I want to thank you and your team for the continued work that you're doing to advance this effort. With that, do any committee members have questions about Mr. Monroe's executive report?

Alicia Alvarado: May I acknowledge President John Reynolds from CPUC is online, and Emilio Perez representing Assemblymember Boerner is online.

The Chair: Thank you for joining.

President Reynolds: Thank you. I look forward to working with this committee.

The Chair: Okay, I'm seeing no comments in the room or online. So, thank you, Mr. Monroe. Next agenda item is the California Department of Technology updates. Presentations will be provided by Mr. Mark Monroe, Mr. Shannon Martin-Guzman, Ms. Mackenzie Shea, and Mr. Matt DeHaven. We will also hear from Mr. Erik Hunsinger from GoldenStateNet, our Third-Party Administrator. This segment will conclude with a stakeholder engagement update from Ms. Monica Hernández. We will break periodically to give the members an opportunity to ask questions. Mr. Monroe, please begin.

Mark Monroe: All right. I'm going to jump to the next slide. At the last MMAC, members had asked for additional clarity on the roles and responsibilities between the State, the Third-Party Administrator, and the Operator – and in particular, how these entities will work together efficiently and avoid duplication of efforts. We did provide a written response to the full committee in March via email. This is a high-level recap highlighting the key points. As you know, SB156 grants CDT full authority to develop, construct, operate, and maintain the Statewide Middle-Mile Broadband Network. This includes setting prices, establishing policies, managing contracts, overseeing financials, and ensuring compliance. Under this framework, CDT is the ultimate decision maker and retains end-to-end accountability for delivery of the MMBN. All program functions flow from this statutory authority, including those delegated to the Third-Party Administrator – or the TPA – and the Operator. State law, including government code 11549.53, requires CDT to engage a California-based nonprofit as the TPA and GoldenStateNet, working through CENIC, fulfills this statutory role. The TPA does not run the network day to day. Instead, it provides program management and coordination functions, such as sales and marketing, limited technical oversight, and HUT facility support to ensure consistency across the network. The TPA acts as CDT's administrative and program support arm operating entirely within the direction and authority established by CDT. The Operator is a separate competitively procured entity responsible for the 24-7, 365 network operations. This includes monitoring, security operations, field response maintenance, and service level compliance. The Operator

functions within the policies, pricing structures, and operational framework defined by CDT and managed through the TPA. CDT will develop an MOU between the TPA and the Operator to ensure clearly articulated roles and responsibilities to avoid any confusion or overlap. Together, these three roles form the intentional governance structure and vision in SB156 – CDT as the authority and owner, the TPA as the program administrator, and the Operator as a technical executor, ensuring accountability, transparency, and high-performing statewide network. In summary, CDT provides governance and oversight. TPA manages coordination and program-level operations, and the Operator performs hands-on, day-to-day network operations. Both the TPA and the Operator report directly to CDT. Next slide, please. All right. Next, I'm very pleased to share that – consistent with this structure – CDT, in the last 48 hours, has officially selected Skyline Technology Solutions to be our network operator, marking another key milestone as we transition from development into operations. This selection followed a competitive and rigorous procurement process. Skyline brings the capabilities needed to support day-to-day network operations on a statewide scale. These include a proven experience operating a statewide network. No other state has done what California is doing with regards to this large of a middle-mile network. However, Maryland did develop a network similar to what California is developing. Skyline has operated Network Maryland since 2010. Given the few networks like the one California is building, we are very excited to have an operator with experience operating a network like the one California is developing to be able to develop ours. Next slide. Skyline's responsibilities, again, will include 24-7, 365 network monitoring and security, statewide field dispatch and maintenance, incident response, and meeting service level requirements across active segments. Consistent with the model discussed previously, the Operator is responsible for executing day-to-day network operations. They will operate within the framework established by CDT with program coordination and oversight provided by GoldenStateNet as the TPA. This structure maintains clear separation of responsibility, strong oversight, and coordinated service delivery. Onboarding will start immediately, and Skyline Technology Solutions is aligned with the timeline for initial service activation in July 2026, in just a few months. With Skyline taking on this network operation function, CDT will be well positioned to be ready to provide stable, high-performance service starting in July. So, I don't know if I could open it up to any questions. We do have more slides if we'd like to… So, and again, this is the operations look ahead. I'm excited to have that center box be opaque now, because it's now been done. Again, we've evaluated proposals, we've selected Skyline as the operator. And now we're looking ahead next year to start operations in July. So, this is becoming real. This has gone in the last five years from an idea to actually being something that is physical and actually providing connections. And we're going to continue moving forward with that.

The Chair: All right. Thank you, Mr. Monroe. Do any committee members have questions about Mr. Monroe's update? Okay, I am not seeing any in the room or online. Oh, I'm sorry.

Alicia Alvarado: May I acknowledge Assemblymember Boerner has joined the call.

The Chair: Thank you. Welcome, Assemblymember Boerner. Okay, thank you. With that, we are going to move forward to the update from Mr. Shannon Martin Guzman. Please proceed.

Shannon Martin-Guzman: All right. Thank you, Chair. We have several important updates to share today that reflect the strong momentum toward completing the Middle-Mile Broadband Network. My report will cover the current status of the network, as well as key activities underway now and planned over the coming year. With the onboarding of our first MMBI customer. We have officially entered the operations phase of the project. As a result, we are shifting to a new regional approach for our updates. Beginning today, progress will be reported based on five distinct geographic regions across the state. This regional view will allow stakeholders and prospective customers to more clearly understand construction and permitting progress within their specific counties and communities. Next slide, please. This slide provides an overview of the remaining federal approvals required for the Middle-Mile Broadband Network. As shown on the map, 583 miles of the network still require federal approvals and are actively moving through the permitting process. In addition, significant progress has already been made. Another 615 miles have either received federal approval over the past year or were able to move forward by leveraging existing approvals and previously authorized infrastructure, allowing us to accelerate construction in those areas. This snapshot helps ground our understanding of where federal permitting remains a critical focus in where recent progress has already advanced the network towards completion. Next slide, please. Today, we have installed over 3,000 miles of conduit fiber. We have active construction sites on over 2,000 miles of highway and local roads now. And as reported earlier, was able to offer services and sign our first customer on a 423-mile stretch along Highway 395. In addition to the fiber miles, we also have 17 active construction sites preparing for hut placements, which are critical components to operating the network. In April, so far we have placed one hut and another scheduled for next Monday, and they will continue as grading is completed and concrete is cured. The remaining 111 sites will remain in the pre-construction phase until grading commences. In the table below, you can see a breakdown of total MNBN miles, highlighting that 73% of the network has been permitted and 46% of the network has been constructed. Tying to the numbers above, that's a total of 5,900 miles, either in active construction or completed, and another roughly 2,200 miles that still have to get the permits to begin construction. Next slide, please. Our first region

that we're reporting on today is Region 1, the northern region, covering everything north of Sacramento, and consists of over 2,600 miles and 50 huts. Within this region, we have completed over 1,000 miles, have active construction taking place on over 800 miles, and have almost 700 miles to clear before construction commences. In addition, we have active construction taking place at three HUD sites and have installed two while we are developing submittals for the remaining 45 locations. Next slide, please. Next, we have Region 2, the Capital Region, which consists of over 1,700 miles and 27 huts. In this region, there are 489 miles in the pre-construction phase. 447 miles in active construction, 610 miles complete and ready for huts and 177 miles that are ready to connect and start offering services. This region also contains four huts that are installed and ready for operations while the remaining 23 are in the pre-construction phase. Next slide, please. This is region 3, the Valley region. This region has over 1,900 miles and 27 huts. We are in the pre-construction phase on 595 miles, active construction on 371 miles, have completed 791 miles, and have 177 miles that are ready to connect to customers now. In addition, this region has three hut sites in active construction, and 4 that are ready to connect, while the remaining 20 are in the pre-construction phase. Next slide, please. This is Region 4, the Los Angeles region. Within this region, we have a total of 658 miles, have completed 350 miles, in active construction on 162 miles, and have 8 active construction sites preparing for hut placement. The remaining 146 miles and one hut are in the pre-construction phase and preparing for construction in the coming months. Next slide, please. And for the final regional update, we have Region 5, the southern region, with 1,200 miles and 26 huts. This region contains 69 miles and one hut that are ready to connect, and also 523 miles of construction complete, active construction on 321 miles and three huts and wrapping up pre-construction on the remaining 287 miles and 22 huts. Across all five regions of the Middle-Mile Broadband Network, we are seeing substantial and sustained progress. Permitting, construction, and operational readiness are advancing in parallel, and each region is moving steadily towards completion. This collective momentum reflects the coordinated effort of our teams, partners, and agencies statewide and demonstrates that the network is progressing on multiple fronts, not just in isolated areas, but across the entire state. Next slide, please. Finally, before I turn it over, I wanted to share a couple of photos from active construction sites. On the left, they're grading a site along the state highway system that has some pretty rough terrain and elevation changes. And on the right, they have their conduits laid out, ready to pour concrete for the hut foundation and generator pad for our backup power supply. Without these physical structures in place and their electronics installed and configured, that cannot be an operational network. These are integral parts of any network, and the work that goes into designing, permitting, and building comes with its challenges and complexities. Next, we will share a quick video of a hut being placed, specifically in the Los Angeles region near Norwalk. This is a very tedious process and takes a team to ensure it is placed and secured properly. Cue the video.

The Chair: Thank you, Mr. Martin-Guzman. I mean, it was just really exciting, you know, as we've talked over the years at the MMAC about permitting and construction. It's just incredible progress being made, so much activity across the state, and to see things like the amount of work that goes into realizing the hut placement and laying so many miles of fiber is just incredible, so thank you very much for the update on that. Thank you, Shannon. Do any committee members have questions about Mr. Martin-Guzman's update?

Alicia Alvarado: Acknowledging Supervisor Valerie Starkey is on the call. Thank you, Supervisor Starkey for joining us.

The Chair: Okay, I'm not seeing any comments in the room or online, so next up, we will hear an update from Ms. Mackenzie Shea.

Mackenzie Shea: Hello, everyone. My name is Mackenzie Shea and I'm the regional business manager for the Middle-Mile Broadband Initiative. Today, I will be providing an update on the operational outlook for 2026, as well as an update on MMBI's coordination on FFA last mile projects. Next slide, please. As Shannon highlighted, the last few months have brought significant progress, with nearly 3,800 miles of fiber now on the ground, representing almost half of the total network. Looking ahead, we are forecasting construction of an additional 1,500 miles over the next eight months, bringing us up to approximately 5,300 miles, or nearly 65% of the network constructed by the end of this year. Of those 5,300 miles, our target is to have roughly 4,300 miles activated and ready for customer connections by end of 2026. The remaining 1,000 miles, while fully constructed, are not yet projected to be operational by that date due to outstanding requirements needed to light the segments. As a reminder, for a route to be considered lit and operational, several components must be in place. Fiber must be connected from hut to hut, huts must be built, powered, and equipped with configured electronics, and each segment must have an internet on ramp through a connection to a data center or internet exchange. The thousand miles not forecasted to be operational will still be in the process of completing one or more of these steps. For the miles, we do expect to activate by end of 2026. You can see those routes on the map displayed in green and yellow. The green segments are fully permitted and either under construction or already complete. The yellow segments represent routes still awaiting final permits. However, we are actively working with the relevant jurisdictions to complete all outstanding permitting and expect approval soon, so construction and activation can proceed. These 4,300 operational miles will allow us to reach a wide range of last mile providers serving unserved and underserved Californians. This includes multiple tribal communities, as well as some of the most remote regions of the state, such as Modoc, Alpine, Inyo, Humboldt. Mono

and Siskiyou counties. These segments will also enable connections to federal funding account projects shown on the map in magenta and provide access to two major data centers in San Jose and Los Angeles. That said, completing all 4,300 miles for activation by the end of 2026 still requires significant coordinated effort. As mentioned, the yellow routes remain in permitting, and we are working diligently with Caltrans, Federal Land Management Agencies, and local jurisdictions to finalize approvals. Once permitted, construction teams still need to install conduit and fiber, while we simultaneously complete HUD installation and power upgrades and configure the electronics needed to light the network. Next slide. In my prior slide, I described how we are planning to reach many last-mile communities, including FFA awardees, by end of 2026. For this slide, I want to provide an update solely on the FFA last mile projects that intend to connect with the middle-mile. MMBI's customer solutions team has continued working closely with FFA awardees that intend to connect to the middle-mile in focused one-on-one meetings. In the last few months, we completed outreach to all 65 FFA projects that indicated intention to connect the Middle Mile in their applications, including the recently awarded Round 2 FFA grant recipients. In Q1 of 2026, we held meetings with awardees on 47 FFA projects, and these engagements are continuing into the second quarter as we get closer to activating more segments in July. Another significant update since the last MMAC is that we have begun sharing pricing and quotes to FFA awardees for some of our core service products and are expecting to have our first contract signed with our first FFA customer in the upcoming weeks. We are excited to serve all FFA last-mile projects that are interested in connecting to the Middle-Mile and look forward to continuing these partnerships to reach the unserved and underserved communities in California. With that, that concludes my updates.

The Chair: Thank you, Ms. Shea. Do any committee members have questions about her update?

Secretary Maduros: Thank you for that presentation. On the 5,300 versus the 4,300 for that final thousand, do you have a sense of scheduling for when those huts would be operational and (for when) the network would be operational?

Mackenzie Shea: Right now, with the final thousand miles, I would say it's going to probably stretch from about Q1 to Q2 of 2027.

Secretary Maduros: Okay, thank you.

The Chair: Any other questions? Seeing no more questions in the room or online, so we will move on. Next up, we are going to go back to Mr. Monroe for another update, so thank you.

Mark Monroe: Absolutely. Thank you, Mackenzie. It's very exciting to hear about the progress being made in connecting new communities to the middle-mile. Before we continue, I want to provide some context for the next two presenters. Mr. DeHaven, who will discuss pricing as a component of affordability, and Mr. Hunsinger, who will cover marketing and sales. Affordability has continued to be a central priority for CDT as a concern. We continue to hear from last-mile providers, particularly community-based and non-commercial providers. Our goal is to deliver reliable, high-quality broadband network at a price point that enables connectivity for unserved and underserved communities. SB 156 establishes a clear policy objective to provide affordable open access broadband infrastructure for all Californians. While CDT does not ultimately set the retail prices that last mile providers charge users, the network is designed to facilitate affordability indirectly by lowering barriers to entry, increasing competition, and expanding consumer choice. At the same time, CDT is responsible for setting network pricing that will support long-term financial sustainability. As the network becomes operational, pricing must generate sufficient revenue to fund ongoing operations, maintenance, and lifecycle replacement, ensuring the network remains an asset, not a liability, to the state over time. Our approach balances affordability, sustainability, and competitiveness. And Mr. DeHaven will walk through the pricing methodology in more detail. On the sales side, GoldenStateNet, as the TPA, will lead customer engagement, onboarding, and service agreements to support long-term viability. The network will require a broad and diverse customer base, and Mr. Hunsinger will speak more to that effort. These considerations are central to ensuring the long-term success of this investment, and with that context, I will pass it on to Mr. DeHaven. Next slide.

Matt DeHaven: Thank you, Mr. Monroe. Good morning, Chair and committee members. Thank you for allowing me to take a few minutes of your valuable time to talk about the MMBI's approach to pricing MMBN services. This is one of the many efforts that has been underway even before construction began, in support of the very much anticipated transition into the operations phase of the network, which is now beginning to happen. Next slide, please. Let's start with our guiding principles around pricing. Pricing will be shaped by two objectives that, frankly, pull in different directions, in opposing directions. The first is to promote investment in last-mile broadband towards the ultimate goal of ubiquitous broadband availability, and just as important, affordability. To that end, we need pricing that is at or below prevailing market rates, pricing that actually motivates providers to build out the critical last-mile to homes and businesses. The second objective, as Mr. Monroe pointed out, is sustainability. The network has to be able to cover its ongoing operating expenses year after year without a perpetual subsidy. The good news is that the state's very forward-looking and unprecedented upfront investment in MMBN infrastructure means

that we do not need to recover capital costs through customer fees. That gives us real flexibility to keep prices low while still covering the operating costs. So, what does that translate to in practice? In part, we've adopted a postalized pricing approach, meaning it will cost customers of the MMBN the same regardless of where they connect throughout the state, regardless of the transmission distance of the circuits. And regardless of whether their area currently has robust service or very little. This creates an equal playing field for all providers statewide and deliberately flattens the historical disparity where the communities that need connectivity the most also have to pay the most to get it. In addition to reducing barriers of entry for last mile providers, middle-mile savings can also be passed along to subscribers. Middle-mile connectivity generally only accounts for about less than 10%, give or take, of the total last mile costs in well-served markets, but naturally can have much larger impact in rural networks where the service is not as available. In an industry where margins are frankly razor thin, particularly for rural networks and small operators, reducing that middle mile expense even modestly can be the difference between a provider deciding that a market is viable or simply walking away from it. The net result is increased opportunities for competitive last-mile offerings across the state. Next slide, please. So let me briefly highlight the work that has been done to support pricing development. Not to dive too much into the weeds, but to convey that the MMBI team has undergone a rigorous multi-step process to arrive at where we are now. We began by developing a detailed cost model, projecting the network's relatively fixed operating expenses and building in variable inputs for market penetration and service pricing across a focused catalog of core services. We then conducted both the demand-side and supply-side market analysis. On the demand side, we conservatively defined the serviceable market. Public institutions, last-mile providers, particularly FFA awardees, and large enterprise customers, which we defined as those having annual telecom expenses of $20,000 or more as a baseline, and where the cost to connect would be recoverable through anticipated service fees. In other words, we didn't inflate the market to make the numbers look good. We grounded our projection in customers, or potential customers where the business case would be solid. On the supply side, we analyzed commercially sourced data and conducted extensive outreach to potential partners, potential customers, rather, to understand prevailing pricing, establish pricing caps aligned with median pricing in well-served competitive markets within the state. And then from there, we categorize potential customers into profiles based on their anticipated service types and the volume of their demand, allocated our estimated operating cost proportionally across that anticipated demand to establish a pricing floor, and then adjusted pricing inputs to achieve parity with median market rates while maintaining sustainability at modest market penetration targets. Importantly, our modeling allowed us to conduct sensitivity analysis across varying prices and take rates, giving us confidence that the pricing structure is a resilient one. I do want to set an appropriate expectation, of course, actual revenues will depend on the success of

the ongoing sales efforts, and you know, models don't sign the contracts that people do, but we feel like we have a really good team that's going to be spearheading that effort very soon here and a lot of work has been done on that front already. Last slide, please. To bring it all together with a few additional comments about how the network can impact affordability for consumers, the MMBN pricing framework is designed to be equitable, sustainable, and catalytic. Equitable because postalized pricing ensures no community is left without internet. Simply due to a lack of middle-mile connectivity, and providers can count on predictable below-market pricing when planning deployments. It's sustainable because we've built prices on conservative demand assumptions and a detailed cost model for MMBN. And most importantly, it's catalytic because by reducing middle-mile costs, we're lowering the barriers to last mile investment in the communities that, frankly, need it the most. The MMBN pricing helps facilitate affordability by enabling providers to enter new markets, improving economics for competition where existing service is inadequate or expensive, or both, and providing cost savings that ultimately can be passed along to the customers. As I'm sure you know, the CPUC's FFA awardees in particular represent a key target of the network design and their out selections that went into that. The FFA program is geared toward funding last-mile deployments through a competitive process that required long-term commitments around providing affordable service tiers. The FFA and the MMBN then worked together in a very complementary way as a complete solution to making broadband not just feasible, but affordable in many unserved communities. These FFA-funded projects, supported by the MMBN, are just some of the work being done by the CPUC to drive affordability, which I believe Director Ellis will talk through later this morning a bit more. And with that, turn it back to you.

Mark Monroe: All right. Thank you, Mr. DeHaven. Now that Mr. DeHaven has walked us through the pricing methodology, I want to transition to the next piece of the operational picture, which is how services go to market. But before that, I'd like to turn it back to the chair to allow for any questions. Thank you.

The Chair: Thank you, Mr. DeHaven. Do any committee members have questions about any of the updates you've heard from Mr. DeHaven or Mr. Monroe?

Alicia Alvarado: Assemblymember Boerner would like to enter a comment.

The Chair: Thank you. Assemblymember Berner.

Asm. Boerner: Thank you for that presentation. I really appreciate that. I don't know if it's the last slide or second to last slide – if you bring up one of them, I think I can better make my point. Market rates will change depending on competition in the market. You coming in will be a new entrant in a lot of areas. When you're projecting the total

cost of the middle mile over time at steady rates that induce affordability and access, how do you accommodate changes in what the market rate pricing will be? So, I anticipate a lot of changes to come in the broadband market, and prices have been dropping, right? So, the price that you're considering now is not the price that's going to be there, likely in 3 to 5 years. So, how do you accommodate that in your modeling and pricing to make sure that we break even?

Matt DeHaven: Yeah, that's exactly right. In fact, we expect pricing from MMBN to be disruptive in a positive way to the market, and so there is equally uncertain is really the market penetration that will be achieved. So, what we've established is a model that allows us to continuously look at and revise the balancing between sustainability of the network and keeping the prices as low as possible. So, it's not a one-time effort, I think is the simple answer to that. It's not a one-time effort. It's something that initially, we have some uncertain risk, and so we're being a bit conservative. Not overly so, but a bit conservative in how we project what kind of market share is going to ultimately support this network. And prices have to accommodate that. We are hoping for wildly greater success than even the more modest conservative projections around market penetration. And should that occur, there is absolutely no reason why that additional funding can't go into lowering prices and expand the reach and the impact of the network. So, it's not a one-time effort.

Asm. Boerner: I hear that. I do hear that. I would caution you because this is a public entity, the pressure will be on the legislature if your price point is too low and you can't recoup costs, or your uptake is too low, or any of the last-mile FFA grantees end up exiting the market, you're going to be left holding it. And so, you know, there's a danger that you come back to the legislature and ask us for more money to subsidize, because the price point gets rocked. So, is there a price at which you are not competitive? What I'm saying is, you're going to be disruptive in the market, but because you're disruptive in the market, there's already disruptive changes going on in the market, there's consolidation, there's fixed wireless, there's other competition, satellites coming in. You're going to see the broadband market isn't going to stay stable, so you're going to have disruption that will continue, that could make our price point or not ours, your price point that you set too high, where you're going to have to lower it, and then you don't break even anymore. So, what is the lowest price point where you break even? And what is your contingency for if the market becomes so competitive that that is high in the market? Does that make sense?

Matt DeHaven: It absolutely does, and it's sort of the, you know, the quasi-science and art component to pricing. Everything you point out is exactly what makes it a challenging thing, particularly in the early stages of a new deployment like this. And that's why we started by really understanding the costs of the network and developing

a pricing structure that is intended with very, very conservative, median lower expectations around market penetration to cover costs, to make it sustainable. So, we're not overly optimistic about what sort of market penetration we would see across different kinds of institutions, particularly the commercial enterprise space, where there's potentially more uncertainty than in others. So, we believe we have hit the right spot in terms of conservative pricing that really minimizes risk around inability to sustain the network, while still staying under what our research shows us is really below market rates. And again, that's possible all because of the capital investment that has been made by the state that does not have to be recovered through those fees. This would be a very different discussion if even the financing around the capital for the build-out of this had to be recovered as well. The pricing structure would look a lot more like what, you know, any commercial operator had to work with, and in fact, we know that doesn't happen, otherwise this network would exist in a commercial sense already.

Asm. Boerner: Yeah, I understand that. I guess I didn't phrase my question correctly. What is your doomsday scenario where the market changes and you are no longer able to recoup costs to break even? What is your backup plan?

Matt DeHaven: I think I'm going, yeah, for doomsday scenarios, I defer to my colleague Mark Monroe, I think.

Mark Monroe: Yeah, so, we're still going to have to be looking at that, right? We're going into this new, again, we've got a good, affordable rate out right now that is conservative, but we expect in the long run to be sufficient to fund operations. We do expect, over time, the uptake to really be what drives this as we continue to have a lot more market penetration, a lot more customers. We expect that to really reduce that risk. But it's going to be something that we're going to have to continue to look at and monitor as we move forward.

Asm. Boerner: Okay, I would suggest you look at scenarios where your pricing drops below the break-even point in order to garner market support and then have a plan that does not involve coming back to the legislature to ask for general fund dollars to cover that plan.

The Chair: All right. Thank you, Member Boerner. Are there any other questions or comments?

Secretary Maduros: One question sort of following up on that. Is there sort of a range of anticipated market penetration or uptake? You said you've had very conservative, and is it by… are you looking statewide, district by district, locality by locality? How are

you sort of calculating that? Is there any number you can give, that gives us some sense of what you consider conservative market penetration?

Matt DeHaven: No, great question. The number, so to speak, right, differs based on which particular sector of the market you're looking at. So, the commercial enterprise sector that has typically relied on the larger carriers, the well-known – the AT&Ts of the world and that sort of thing. We expect more of an uphill battle in terms of garnering that business. And so, in those kinds of scenarios, we're anticipating 5%, 10% market share over time at best, right? We expect higher market share in some of the some of the specific targets, like, of course, the FFA awardees. Many of them have already committed that their expectation is to leverage the MMBN. We think that, you know, in general, we have defined a serviceable market that will maximize take rates because we're not looking globally across the state, or edge-to-edge. We defined our analysis based on a geographic a combination of a geographic and a financial modeling analysis, a fairly sophisticated one in which we looked at every single business that met a certain threshold; as I mentioned before, the $20,000 a year in terms of telecom spending as sort of being the type of enterprise customer that's likely to seek direct broadband connectivity from the MMBN. And then on an individual basis, and we're talking tens of thousands of businesses across the state, we only really, from a modeling perspective, took into account those that had a profile around the types of services they want and the fees they would likely pay, and correlated that against the cost to connect them, how far away they are from the network. So, there's essentially, a mini business case analysis around connecting each and every one of those tens of thousands of businesses. That's what we define the market the serviceable market around. We're anticipating slightly higher take rates where we know things are lined up to make it happen, but we had no cases are building pricing around an expectation of more than about a 10% market share over the course of the next two years in any of those specifically defined market sectors.

The Chair: Thank you. Any other questions or comments? Seeing or hearing none. So next, we are going to turn to Mr. Erik Hunsinger of GoldenStateNet.

Erik Hunsinger: Thank you, Chair and committee members. Next slide, please. So, I plan to cover a couple of different things here, including service types, buyers, and then areas of responsibility that GSN will be responsible for in collaboration with CDT. The first piece here is really around understanding that buyers of the network are going to be seeking, really, two different things: dark fiber and lit fiber. And Mr. DeHaven covered mostly lit services in his analysis, but what's important here is to know that regardless of the buyer type, huts have to be deployed. Dark fiber does not accomplish anything until it's lit, and so carriers will have to light that for themselves, according to their business models and their needs. I think the bottom line here is that to complete any

sort of network, you need fiber, and you need the electronics space for those electronics to make it serviceable for any business. They typically buy upfront with a discount on an indefeasible right of use. That's a large lump sum that would go to fund the network. I believe Mr. Monroe has a plan for so much in sales every year for commercial carriers that would help drive funding of the support of the network. And then Lit Services is typically on a monthly basis. You can have dark fiber sold on a lease basis. That is according to whatever CDT prioritizes. There may be instances where, for example, an agency might be more probable to buy infrastructure on the network if it was a lease format, that way they don't have to come up with some large amount of money out of their pocket, right? They can find something on an annual basis. Next slide, please. So, there's typically, from a large network-wide perspective, there's about four different buyers. We're actively pursuing relationships with competitive local exchange carriers, internet service providers. We are talking to hyperscalers – although I will tell you the capacity on the state's network doesn't meet most hyperscalers requirements today, but there are some unique routes that the state will own that are attractive for diversity purposes, particularly inshore landing – trans-Pacific cables that land at the shores of California. Those are looking for diverse routing around the state, and the state's network is actually well positioned to help serve some of that traffic. In addition to that, we're talking with agencies within the state to understand their requirements and networking needs. I think it's very preliminary, because we don't really understand some of their contract terms yet. That is, when things are expiring, when they plan to do an upgrade into their network requirements. But CDT has prioritized lit infrastructure that will provide MPLS solutions or any kind of customized network solutions that agencies might take advantage of. Next slide, please. So, in collaboration with CDT, we have kind of defined four areas of responsibility for GSN going forward in partnership with the program. There is some technical acumen that we will lend, uh, as folks may remember, we're a collection of engineering expertise from CENIC, as well as, multiple decades of carrier experience in real-world telecom. And so, we're able to help CDT keep tabs on network performance, of metrics that are needed to ensure viability of the network, track incidents, escalations, as well as ensure that equipment standards and compliance are met to create a network that is viable for communities in California. In addition to that, Mr. Monroe has already noted we'll be working on fiber sales and partnerships with carriers and there are a sizable number. As a reminder, last MMAC, we noted that we have already a 350 million funnel of interest in the network that is all commercial, independent of the FFA awardees. Those are large commercial institutions. We are not really talking about fixed wireless or small; those, of course, are able to use the network, and I think the state's policy is actually strategically situated to handle some of those smaller network providers with mid-span interconnect. It's going to reduce their costs for backhaul and get them instantly onto the network all over the state. In addition to that, CDT has asked GSN to provide hut management, that includes outside, inside the hut, making

sure that the spare inventory is tracked and that all elements of the of the hut operation are aligned with the network needs. And then, we will also be looking out on the metrics and activities on the network and assisting CDT in their assessment of performance. And with that, it includes my short presentation, if anyone has questions.

The Chair: Thank you, Mr. Hunsinger. Do any members have any questions regarding the update? Okay, well, I'm not hearing any or seeing any online. So, with that, we are going to move along to our next update. We'll be on the Middle-Mile Stakeholder engagement from Miss Monica Hernández.

Monica Hernández: Thank you, Chair, and good morning, everybody. I'm going to give you a brief summary. I think I might do it under 2 minutes of last quarter's, uh, middle mile stakeholder engagement meeting. Next slide, please. As a reminder, these meetings are cross-sector, designed for advocates, partners, and stakeholders looking to have a deeper lens into the project, rather than just focusing on their geographies of interest, as well as making connections not just with the staff of the Department of Technology, Caltrans, the Public Utilities Commission, but really building on those partnerships. I will flag we've been about two years now doing these stakeholder meetings, and when they were first initiated, it really was at the behest and drive of some of our vocal partners who were, frankly, frustrated with a lack of transparency and regular contact from the department. We've made a number of changes since those original meetings that I'm very proud of and thank our partners for giving us that direct feedback and the opportunity to improve. We bring this group together quarterly, again, increasing transparency, creating opportunities for feedback, as opposed to only having the previous avenue of public comment here at the Middle-Mile Advisory Committee meetings. And may I have the next slide, please? And I just wanted to call out our new photos from our recent event in Bishop. Very proud of that opportunity. So, in January's meeting, we again saw proportionally low attendance to invitation. That's consistent with what we saw most of last year as well. There's also a low response rate on our evaluations, but regardless of that, I know that there is value in these meetings. We have no intention of stopping. We have key partners who come and attend regularly, who give us feedback and engage, and we want to maintain both the access and transparency to the project. Next slide, please. Here you'll see some of our qualitative feedback that we heard from our last meetings. But I do want to point out key themes that we have heard, not just in our most recent meeting, but we have heard last year as well, and it relates to what we have heard today from our presenters: Mr. Monroe, Mr. Hunsinger, and Mr. DeHaven. So, providing last service pricing models – as indicated – that are something that the customers will be able to afford. We've also heard concern about consumer protections and what roles the Department of Technology and our partners can play to see that that happens. We also heard protections around what the internet service providers will do

in terms of transparency for last-mile customers, and then more detailed questions about our operations timeline and construction timeline as well. The content of each stakeholder engagement meeting closely mirrors these meetings: you hear it first, and then we take it to our stakeholders. So, I'm frankly excited and anticipate a lot more questions about our pricing models, our partners, and the information that we've heard today. So, that concludes my remarks. I am happy to take questions and can also expand a little bit on the communications that we're putting out, mostly around our hut construction, because we're very excited. It's a, as you heard, critical component of the success and creating more ready-to-connect lines of broadband across the state. Thank you.

The Chair: Thank you, Ms. Hernández. Do any members have any questions regarding Ms. Hernández's update? Okay, I'm hearing none or seeing none online, so, thank you, Ms. Hernández. Next, we will be moving on to our Caltrans update from Elias Karam and Aung Maung.

Elias Karam: Thank you. Good morning. My name is Elias Karam, Program Director for the Middle Mile Broadband Initiative at Caltrans. I would like to acknowledge and extend a warm welcome to Chief Deputy Director Corey Bins, who is representing Caltrans on the dais today. Thank you for this opportunity to share an update on the progress Caltrans is making to support the statewide middle mile broadband network. Next slide, please. Today, we will today we will be providing an update on two key areas of Caltrans responsibility: the Caltrans build and the issuance of encroachment permits for CDT partner builds. Next slide, please. We will first be providing a status on the Caltrans build, which includes two main components: the design and construction of 302 miles of middle-mile fiber infrastructure along the State Highway right-of-way, and the design of 107 network huts. Next slide, please. This slide illustrates the scope of the Caltrans build in which we are responsible for the delivery of 302 miles of fiber infrastructure. Of the 302 miles that are ready to construct, 124 miles have been fully constructed, while 178 miles are currently under active construction. We are on track to complete construction for all Caltrans miles by the end of 2026. Next slide, please. Along with the fiber construction, Caltrans is also responsible for designing the network hubs. The current status of the 107 network hubs is as follows: all hubs have completed preliminary design, 106 hubs have completed design and are ready for construction by CDT, and the final hub is currently in the design phase and expected to be completed by mid-May. Next slide, please. At this time, I would like to turn the presentation over to my colleague, who will provide an update on the status of CVT partner encroachment permits.

Aung Maung: Thank you, Elias. Good morning, Chair Johnson, committee members, and others from the public. My name is Aung Maung, Caltrans MMBM Joint Build

Permit Liaison with Division of Traffic Operations. Next slide, please. Today, I'll be providing an update on the status of the partner bills encroachment permits. Next slide. I'd like to start with the high-level summary of the MMBM encroachment permits. As the Caltrans collaborates with CDT on the partner builds, we anticipate 3,337 miles of middle-mile broadband network to be installed on the state right-of-way. As of April 13, we have received encroachment permit applications for 3,053 miles. Different stages of anticipated and submitted permits are shown in a horizontal sequence across the slide. Of the 3,035 miles submitted applications, Caltrans has issued encroachment permits for 1,555 miles, as shown on the right side of the slide. Going from right to left, Caltrans is actively assisting our partners to complete the design and the environmental studies for 1,489 miles of permits currently in progress. This effort is essential to meeting the state and the federal requirements, including compliance with NEPA Section 106 of National Historic Preservation Act and Section 7 of the Endangered Species Act for all Caltrans to issue encroachment permits. In addition, we receive preliminary applications for 264 miles; that is on the left. These preliminary submittals include only general project information, such as county, route, and mileage for the anticipated application. They have not yet been fully submitted. The data presented today are from Caltrans inclusion permit system, also referred to as SAPS. Next slide, please. This slide shows month by month progress of the MMBM encroachment permit since December of 2024, going from left to right. Each bar represents a cumulative miles at different stages of the permit process. Miles with issued encroachment permits are shown in the dark blue on the top. Miles associated with permit currently in progress are shown in yellow in the middle. Miles for the anticipated applications are shown in the light pink at the bottom. I'd like to highlight the increase in issue miles this quarter. As you can see on the right, we issue five 152 miles in February and 209 miles in March. Next slide, please. This slide presents the encroachment permit models and the status by CDD partner. Focusing on the charter, on the right side of the slide, the partners are listed alphabetically, and the horizontal bar represents the distribution of the mile across the permit process consistent with the stages shown on the previous slide anticipated application, like, light pink in the light pink color, application in progress, yellow, and the issued encroachment permits are in dark blue. Next slide, please. This slide, using the same layout format, presents the number of enclosure permit applications by partner for the miles presented in the previous slide. I kind of like to note that of the 712 enclosure permit received as shown in the bottom left, Caltrans has issued 461 permits, which is about 65%. Next slide, please. This chart shows the incremental permaculture issue in each of the previous three years, as well as the current year. As we can see, 504 miles issue as of April 13 in 2026, reflecting the results of the significant and sustained efforts among Caltrans, CDT, and our partners. Next slide, please. Lastly, I'd like to share our recent success to accelerate permit delivery. All MMBN permits require two major components for assurance: environmental clearance and the design approval.

Design and installation of the MMB infrastructure on the interstate that deviate from the standards require FHWE approval, which at small time and complexity. We work very closely with FHWA and successfully obtained the MMBN project agreement at the end of February this year, which enables Caltrans to review and approve most of the MMBN design exceptions internally. Since then, we have issued six permits, over 140 miles, and anticipate the additional 300 interstate miles of the remaining permits can be now approved under this agreement. Some exception may go to FHWA, depending on a partner design. In total, over 440 interstate miles are expected to benefit from this streamlined approval process. Additionally, we are using document status tracking tools to monitor the progress identifying critical part tasks and resolving issue timely to prevent delays, as well as aligning expectations on minimum requirements for the studies plan and the review. With regards to enhance customer service, Caltrans and CDT are proactively engaging and coordinating with other state and federal agencies to advocate for the expedited approvals of the MMBN projects. Also, we expanded the use of conditional permitting, which put the appropriate oversight to help our partners game or maintain the schedule. Looking ahead, we are working towards issuing 150 plus miles per month over the next two months. Caltrans is committed to assisting our partner with completing the application expediting the issuance of the inclusion permits and supporting the successful delivery of the middle-mile broadband network. This includes Caltrans update. And thank you.

The Chair: Thank you. Thank you, Mr. Karam. Thank you, Mr. Maung. Do any members have any questions for Caltrans?

Alicia Alvarado: I see Assemblymember Boerner's hand raised.

The Chair: Member Boerner?

Asm. Boerner: Yes, thank you. I want to thank Caltrans. It's a positive development for the project that you're now issuing more permits than you have in the history of the project. So, thank you for that; and Caltrans says it's because of policy changes and processes that you've implemented. Would an audit or after-action report be helpful so that we can learn the lessons, and then take them forward with other public projects? And I'm sorry, I have to leave in 5 minutes to get to the airport, so I have a couple other questions to the Chair around the TPA operator thing that I'd like to ask after this section before I go to the airport, and then somebody can follow it up with directly is me in my office, if that's okay? But yes, so first thing, would an audit or after action report be helpful? We've gotten to this place, we've learned some lessons; I think it's really important that we carry them through for other infrastructure projects.

Aung Maung: Yeah, thank you so much for the question. Yes, after action report, it will be very helpful so that we can take the lesson learned from this undertaking. And we would like to work closely with your office to kind of walk out the details.

Asm. Boerner: Thank you. And the second question is: to set expectations for the next MMBI hearing, what should we be expecting? What's the goal that you're setting for yourself, and therefore we should have from you of what we should hear on permitting by the next MMBI hearing?

Aung Maung: So, for the next MMAC…

Asm. Boerner: Sorry, MMAC. I get all the things wrong. Sorry. At least I can make Commissioner Reynolds laugh, President Reynolds laugh.

Aung Maung: Yeah, so we are shooting to issue 300 plus miles when we report to the next MMAC next time.

Asm. Boerner: Okay, so we'll expect 500 miles. That's what we should expect. Very good. Thank you. To the chair. If I can just set out on the record a couple questions I had around the TPN operator, then I can get to the airport, and somebody can follow up with my office – we don't need to do in this hearing. Would that be acceptable?

The Chair: That's acceptable. Yes, thank you. Please proceed.

Asm. Boerner: Okay. So, I know I missed the first part of the presentation. Somebody didn't want me logging on to my computer this morning. And I think the TPA's letter that I read raises a number of issues that I've been concerned about with the model that we're setting up between CDT, the TPA, and the Operator, and we want everybody to be successful. So, I think we need to get it right, and I'm committed as a partner to help everybody get it right. So, I'd like Skyline to be able to report to me and my office. Their current staffing and operations in California, if they don't have sufficient, what's the timeline for them to set that up? One of the issues around GSN was they would have to staff up and that was kind of a prohibitive thing, so Skyline has to staff up because they're out of state. We need to take that into consideration. And I would also like a report on how many contractors responded to the RFP for the Operator? And why Skyline was chosen compared to other operators. So those are my questions, we don't have to ask them now, but I think those are kind of some good governance questions we should have out. And it might have been in the presentation, and maybe I missed it, so sorry.

The Chair: Thank you, Member Boerner. We have those questions down. We'll make sure to follow up with your office.

Asm. Boerner: Thank you.

Jared Johnson: All right, do any other members have questions or comments?

Secretary Maduros: I'll just echo the thanks for the vastly increased number of permits issued over the past few months, and just hope that we can continue that, maybe view that 150 as a floor rather than a ceiling in these coming months.

The Chair: Thank you. Okay, so our final update before we hear public comment will be from Maria Ellis of the California Public Utilities Commission. Miss Ellis.

Maria Ellis: Good morning. One of the goals of the California Public Utilities Commission is to, uh, deploy safe, reliable, and affordable broadband service across California, especially in communities that lack it. This table, the next slide, provides an update, or just a snapshot, more to say, of some of the key programs that we administer at the CPUC. The BEAD program, I want to take a moment to just note that we are still awaiting approval from the National Telecommunications and Information Administration on the Broadband Equity Access and Deployment Program, otherwise known as BEAD. This is a $1.86 billion program that California is implementing with NTIA. I do want to say that, like all states, we've gone through curing. Curing is a process by which the NTIA can make changes to your final proposal as submitted. Ours was submitted in December of, 2025, and we have gone through some curing, certainly, but I do want to note that it's been pretty modest compared to other states, and I think that speaks to the level of effort and intentionality that we implemented when we're doing this program to ensure that we were putting forward something that met the rules and requirements of the program while also maximizing outcomes for Californians. The proposal that we put together on behalf of the state of California achieved the goal of meeting 100% of all eligible locations, and with a variety of technologies we are hopeful to be able to get approval from the NTIA soon. And once the NTIA approves that plan, the Commission must then take action to ratify it before the state can start implementing that program. But we're very hopeful that is coming imminently. Next is the California Advanced Services Program, and I'm going to talk a little bit more about a couple of these items a little bit later, but just to note here that this is a public purpose program. This is an annual program. We have around $136 million in local assistance, and that is done through 6 different subaccounts that are associated with this program. One thing that is notable is that the infrastructure grant account, which is one of the subaccounts under the CASF closed its solicitation window for grants on October 31st last year. And the Commission has taken action to

extend the deemed denied date of those applications through July 31st of this year. The Commission is starting to roll out recommendations for those projects for that set of solicitations, and we'll be considering those through July. In addition, that action that extended the deemed denied date also extended the due date for the next cycle, this year's cycle from April 1st to October 1st of this year. As we're rolling out these applications, it's worth noting that we're still continuing to see tremendous demand on this front in terms of deployment funds for building infrastructure that will deliver reliable service. We received 41 applications for approximately $424 million. And if anybody's interested in seeing the applications that came in, they're all posted online. The other programs that are included here are the Tribal Technical Assistance, the Broadband Public Housing Account, and the Adoption account, all of which have applications deadline coming up this year on July 1st. I want to note, which I'm going to talk about soon, that we're holding an annual workshop, the required annual workshop, later this month, next week, in fact. If you are not getting the CASF news updates, I encourage you to. The Loan Loss Reserve Program is a financing tool; the Commission has awarded these funds to Golden State Authority for the financing of their seven broadband programs projects that were awarded under the federal funding account, which is the last program here. This is a multi-year funding program, which is approximately $2 billion over the life of the program. CPUC has held two rounds of funding and awards and now has made an award in each county of the state, approximately a little over $1.23 billion worth of awards. There could be a feature to make it to the full $2 billion; there could be an appropriation in the future of $550 million, and that would bring us up to that total. At that time, if that is appropriate, the Commission would continue to make awards at a statewide level to finish out the program. Next slide, please. And continuing with the federal funding account, on the left side here, you'll see a map of California indicating the counties that received awards throughout the state. The ones in green are the ones that were awarded in Round One. And the ones in purple are the ones that were awarded in Round Two. We, like I said, have been able to get grants into all 58 counties of the state. And on the right-hand side here, you'll see, of the total projects that were awarded, are 122. Many of these projects actually received seed grants earlier in the process that were for local agency technical assistance, and those grants really help them design and plan for the projects that they were then able to put forth for the federal funding account, which really goes to show the importance of that kind of technical assistance. In addition, 120 of these projects will be providing an affordable plan, which I think is really important as we're talking about delivering this service, it's also important to talk about the affordability of the service. Overall, these projects are deploying approximately 7,500 miles of fiber and benefiting 4,000 community anchor institutions and over 2.1 million Californians. I also want to note that of these awards, it includes 10 awards to tribal nations or tribally owned and operated ISP's organizations. So, like I said, if we get funding in 2027 and 2028, we will continue to round out these

funds and continue to make awards according to the county allocations or just on a statewide level. We'll keep you posted on developments as they come. Next slide. One spotlight that we want to have here on one of our awards is a project that was done with the Santa Ynez Band of Chumash Indians. This is a tribally owned fiber network. The Santa Ynez Band of Chumas Indians are deploying broadband to approximately $4.7 million from the federal funding account. This will build around 13 miles of underground fiber, which will be deployed over more than 1,400 acres of ranch land. The project leverages California's open access middle-mile, so this is a great story of how all of our efforts under SB156 are coming together. We'll be using that to support their backhaul the tribe is building. Also significantly, this is providing gigabit symmetrical service, which is wonderful and really is something that's helping to support the needs of the growing needs of the community from now until a little bit into the future. The project stands to benefit 853 Californians around 300 locations, and these are depicted on the map here. The highways are in green and that's part of what the middle-mile is reflected in there as well. And the pink is the reservation, and the blue are the housing areas, called Camp 4. They were also a technical assistance grant recipient, and this really helped to lay the foundation to develop their plan, and they could leverage then the federal funding account. Most importantly, this is an example of how broadband grants in a community really are supporting people, community and people. This is an investment that's going to make a tremendous impact for the tribe in years to come. In the words of the tribe's chairman, Kenneth Kahn, "we think in terms of generations or more." So, they're planning for the future of their people. Next slide. We're hopeful to be able to continue to bring these to you as they're getting built out, and we're seeing more and more projects, especially now through the building season that we're in now. We're hopeful that we'll be able to have more projects for you as we enter the next Middle-Mile Advisory Committee. And again, coming back to affordability, we know there was some curiosity about some of the efforts that are going on at the state level. Certainly, the Middle-Mile Broadband Initiative is contributing to that affordability by creating more opportunities for more providers to come on board and raise more choices for consumers. But in addition to that, the CPUC is not only just working on the federal funding account, we have a variety of other projects and programs that really support the outcomes of affordability for Californians. One thing I want to talk about on the consumer program side, is the California Home Broadband Pilot, which we've talked about before. We're going to dive a little bit deeper into that, but this three-year technology neutral broadband pilot will allow eligible customers to get a subsidy to offset the cost of the Internet. According to when we had ACP available, this was tremendously popular in terms of the demand for that program. We have around 4.3 million Californians that could have been eligible for that program and we think around that same could be eligible for this program. To date, we have around 16 service providers that have submitted letters of intent to participate in the program,

and while the program is just getting started, I believe we're around 6.4 thousand subscribers enrolled to date, but we are still onboarding a lot of the providers. And we expect that number to grow, especially when, again, you're thinking about the offset that is really important. $20 per month for a subsidy for standalone broadband, but if you're bundling that with voice, you can get $30 a month, and you also get a subsidy if you would like to include an additional line. I'm not going to talk too much more about the California Advanced Services Fund programs, because I kind of tend to talk about them a lot, but one thing I do want to note is last year alone, the CPUC approved 39 broadband public housing grants, and that totaled around $2.1 million. And the reason that this is important is that program not only provides inside wiring but then requires that the residents of those housing developments also receive free broadband for five years. So, if you're thinking about it, that is 1,500 residential units that were able to at least get free broadband for the next 5 years through this program. I do also want to highlight the California TeleConnect Fund. This is a fantastic program; it offers a 50% discount on advanced communication services, including high-speed internet and broadband services to qualifying schools, community organizations, and healthcare entities. This is all, again, trying to work towards the goal of not just providing reliable broadband, but ensuring that it's affordable to Californians. Next slide. So, I mentioned the annual CASF workshop. It's being held next week in; it's just a hybrid workshop, so we'll have a virtual opportunity for folks that are a bit far away, but if you would like to join us in person, we will be in San Francisco at 500 Van Ness Avenue, which is the CPUC offices and the auditorium. This is a time where we really try to give the public updates on any changes to the programs. We saw some changes to a few of the programs last year under the CASF decision that the Commission approved. We also try to set a table so that consortias can talk to each other about how to help each other in this work of trying to support broadband and digital equity across the state. As part of the decision last year by the Commission, we will be taking a solicitation to start 3 new tribal consortias, and so that will mean a consortia for Northern, Central, and Southern California; we'll be opening those applications later this year. So, we're going to talk a little bit about that, but then also we'll be holding some tribal regional workshops from now into the fall in advance of that application window to just help tribes understand the process and answer any questions. So, that was a lot. Thank you so much for your patience, and I know I'm the last thing standing between you and lunch.

The Chair: Thank you, Ms. Ellis. Do any members have any comments or questions about Ms. Ellis' update? I'm not hearing any or see any online, so with that, we are going to proceed to our public comment section of the meeting, and I will turn it over to Ms. Alvarado to provide public comment guidelines and begin the public comment.

Alicia Alvarado: Thank you, Chair. In order to ensure everyone who wishes to make public comment has the opportunity to do so, we respectfully request one person per entity and two minutes per person. The order of public comment will be online public comment submissions prior to the meeting. Comments in the room, zoom hands raised, and phone hands raised via star nine. We have not received any emailed comment submissions prior to our meeting, so we will start with public comments in the room, and then via Zoom. Not seen any public comments. persons in the room, we will move to Zoom. We have our first public comment. Jason Lee. Please unmute.

Public Comment: Thank you. Thank you, everyone, for the presentation. I just want to ensure that I have my information correct. As long as a tribe reaches the middle mile line that they get access to the line at no cost. Is that correct? They get 6 strands, I believe?

Alicia Alvarado: Thank you, Jason. As is the custom with the public comment, we will not be providing an answer here, but we will have an opportunity at the stakeholder engagement meeting.

Secretary Maduros: Well, or can we just follow up with him directly if we have his contact information?

Alicia Alvarado: Yes.

Secretary Maduros: Okay.

Alicia Alvarado: Of course. Not seeing any other comments in the room. Back over to you, Chair.

The Chair: Thank you. Are there any additional questions or comments from the committee members before we conclude the meeting? Not hearing any in the room, or seeing any online, so I would like to thank you, give my thanks to the committee members, presenters, and attendees for their contributions today, as well as members of the public for your comments. Our next meeting is Friday, July 17th from 10 am to 12 pm. And with that, we will adjourn today's meeting. We look forward to seeing everyone in July.