

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public Service)
Commission, on its own motion, seeking to)
administer the Nebraska Universal Service)
Fund's Broadband Program: application to the)
Nebraska Broadband Program Received from)
Pinpoint Wireless d/b/a Blaze Wireless.)
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Application No. NUSF-92.12

**REPLY TESTIMONY OF RANDALL J. RAILE
ON BEHALF OF FORMAL INTERVENOR
RAICOM, INC.**



Filed May 28, 2014

For the Hearing Scheduled June 10, 2014

REPLY TESTIMONY OF RANDALL J. RAILE

1 Q. Please state your name for the Commission, and identify the company you work for and
2 your position.

3 A. My name is Randall (or Randy) Raile. I serve as General Manager for Raicom, Inc.

4 Q. Please tell the Commission about Raicom.

5 A. Raicom is communications company affiliated with the Benkelman Telephone Company
6 (“BWT”), which is based in Benkelman. BWT has been providing telephone services since 1944.
7 Raicom offers non-regulated services, such as broadband internet. We provide service for three
8 local exchanges in southwest Nebraska, including the town of Wauneta. BWT has fiber in and
9 around Wauneta, over which it offers broadband, as defined by the Commission. Raicom has a
10 fixed wireless product in the area as well, which offers both fixed and mobile wireless
11 capabilities. Through both the fixed and mobile wireless capabilities, Raicom offers a dynamic
12 and robust broadband product. It is an excellent product for data access through broadband
13 service.

14 Q. Why do you appear before the Commission today?

15 A. I’m appearing here today to respond to the testimony Tom Shoemaker gave on behalf of
16 Pinpoint Wireless, d/b/a Blaze Wireless (“Blaze”). In that testimony, Mr. Shoemaker affirms
17 Blaze’s request for funding from the Nebraska Broadband Program. Raicom intervened in this
18 proceeding, docketed NUSF-92.12. Staff recommended against funding of most of Blaze’s
19 application, but recommended a grant of \$276,750 for a proposed site referred to as “Wauneta”
20 by both Blaze and Commission staff. While somewhat unclear from Blaze’s Application, based
21 on representations made by Blaze’s attorney during negotiations, Blaze proposes to offer a fixed
22 wireless product that provides both fixed and mobile broadband capabilities. While Raicom does

1 not dispute those representations, it does object to funding of the Wauneta project proposed by
2 Blaze.

3 Q. Why does Raicom object to funding of Blaze's proposed Wauneta project?

4 A. As I mentioned earlier, we already provide broadband in the same area that Blaze
5 proposes to serve. Not only does BWT provide broadband service by fiber in the area, but
6 Raicom also offers a dual fixed and mobile wireless product, which is similar to Blaze's dual
7 fixed and mobile wireless product. In fact, Raicom's product uses newer and more advanced
8 technology. In short, the area is served.

9 Q. Please explain the dual fixed/mobile wireless technology Raicom uses in the Wauneta
10 area.

11 A. Raicom provides broadband in the Wauneta area by an LTE wireless broadband
12 distribution system utilizing licensed 700 MHz wireless spectrum. The LTE system provides
13 voice/data units for fixed wireless broadband services, as well as handheld pocket routers and PC
14 dongles for laptop computers for mobile wireless broadband services. Our offering covers the
15 entire area Blaze proposes to serve in its Wauneta project.

16 Q. Does the Raicom dual fixed/mobile wireless service show up on the Commission's
17 Broadband Map?

18 A. This service does not show up on the Commission's Broadband Map, which might be the
19 reason Staff recommended funding for this project. It is relatively new build, and the Broadband
20 Map does not yet reflect its presence.

21 Q. Do your services in the Wauneta area comply with the Commission's definition of
22 broadband?

1 A. Yes. Both BWT's fiber broadband and Raicom's dual fixed/mobile wireless technology
2 exceed the minimum of 4 Mbps downstream and 1 Mbps upstream, as defined by the
3 Commission.

4 Q. Is the service you have discussed that Raicom offers in the area the same service Staff
5 identified as the Raicom "Wauneta" project in its recommendation in NUSF-92?

6 A. No. Commission Staff referred to our Project 3 as "Wauneta," but the project area is in an
7 underserved area in rural northwest corner of Chase County. Staff may have referred to Project 3
8 as "Wauneta" because our Application stated that the project will require construction of a
9 "tower northwest of Wauneta," but the project does not serve Wauneta or the area Blaze
10 proposes to serve. The area Blaze proposes to serve is served by BWT and Raicom facilities that
11 are already in place and that are not the subject of Raicom's NUSF-92 application.

12 Q. Did Raicom elect to withdraw a portion of its Application based on similar concerns
13 raised by Blaze about existing service?

14 A. Yes. Raicom's Project 1, as originally proposed, proposed a dual fixed/mobile broadband
15 service in an area that overlapped territory where Blaze presently has a similar dual fixed/mobile
16 broadband service. Blaze offers that service in the southern area of Raicom originally proposed
17 project. Like our new service in the Wauneta area, the Blaze service did not show up on the
18 Commission's Broadband Map, presumably because it was so new. After learning of that
19 existing similar service we eliminated that area from our Project 1 footprint in our Amended
20 Application.

21 Q. So, you are essentially asking the Commission to be consistent with the action you took
22 with regard to your Project 1 proposal.

1 A. That's correct. We do not believe the Commission should be funding services that are so
2 similar. In the Wauneta area where Blaze requests funding for dual fixed/mobile wireless
3 broadband, Raicom presently provides dual fixed/mobile wireless broadband. We didn't think
4 the Commission should fund such duplication in our original Project 1; we don't think the
5 Commission should fund such duplication in Blaze's proposal either.

6 Q. Do past Commission decisions support your position?

7 A. Yes. Based on those decisions, the area where Blaze is seeking funding is presently
8 served, according to the Commission definition. Blaze's application is not eligible for funding.

9 Q. Please explain.

10 A. In a decision made January 15, 2013, in *Progression Order No. 7*, entered in *NUSF-77*
11 and *NUSF-69*, the Commission said: "We clarify that comparable access (to quality
12 telecommunications service) could mean universal service access to *one* fixed and *one* mobile
13 broadband provider." (Emphasis added.)

14 Q. How does that Commission decision apply here?

15 A. The Commission has made it clear that the NUSF may be utilized to support only *one*
16 fixed and *one* mobile broadband in any one area. Since Raicom already provides fixed and
17 mobile wireless broadband in the area, Blaze's application should be denied.

18 Q. Does that conclude your testimony?

19 A. It does.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing *Reply Testimony of Randall J. Raile* was served by electronic mail on May 28, 2014, on the following:

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