

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public Service) Application No. NUSF-92.15
Commission, on its own motion, seeking to)
Administer the Nebraska Universal Service)
Fund's Broadband Program: Received from)
United States Cellular Corporation.)

PREFILED TESTIMONY OF STEPHANIE CASSIOPPI

ON BEHALF OF

UNITED STATES CELLULAR CORPORATION

May 9, 2014

Intro/Background of Witness

1 **Q. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.**

2 My name is Stephanie Cassioppi. My address is 8410 West Bryn Mawr, Chicago, IL
3 60631.

4 **Q. ON WHOSE BEHALF ARE YOU PROVIDING THIS TESTIMONY?**

5 **A.** I am testifying on behalf of United States Cellular Corporation. United States Cellular
6 Corporation has licensed wireless service operations in 26 states, including Nebraska.
7 Throughout my testimony, I will refer to United States Cellular Corporation as “U.S.
8 Cellular”.

9 **Q. WHAT ARE YOUR DUTIES WITH U.S. CELLULAR AND HAVE YOU**
10 **PREVIOUSLY TESTIFIED BEFORE ANY GOVERNMENTAL BODIES?**

11 **A.** My duties include overseeing state legislative and regulatory affairs for U.S. Cellular. I
12 manage all our federal Eligible Telecommunications Carrier (“ETC”) projects, including
13 filings, re-certification and compliance. I am also responsible for other general state
14 regulatory and legislative matters in our states, including managing the outside lobbyists
15 retained by U.S. Cellular. I've testified before this Commission annually from 2010 to
16 2013 in NUSF-69 dockets to support U.S. Cellular’s Nebraska Universal Service Fund
17 (“NUSF”) Dedicated Wireless Fund applications. In addition, I testified before this
18 Commission in support of our ETC application and I testified last year to support U.S.
19 Cellular’s petition to receive funding from the NUSF Broadband Program (“NEBP”) in
20 NUSF-77. I have also appeared before the Oklahoma Corporation Commission, the
21 Indiana Utility Regulatory Commission, as well as legislative committees in Wisconsin,

1 Illinois, Ohio and Missouri, and the Chicago City Council. Finally, I've submitted
2 written testimony in numerous jurisdictions on a variety of matters.

3 **Q. PLEASE DESCRIBE YOUR RELEVANT EMPLOYMENT AND**
4 **EDUCATIONAL HISTORY.**

5 **A.** I earned a Bachelor of Science degree from the University of Illinois, Urbana-Champaign
6 and a graduate degree from DePaul University, Charles H. Kellstadt School of Business.
7 Prior to working for U.S. Cellular, I was employed by Verizon Wireless for two years as
8 a Director of External Affairs and prior to that I was employed for six years by Ameritech
9 Cellular in the same capacity. From 2006 to date, my role with U.S. Cellular has been to
10 provide state legislative and regulatory support to operations in our 26 state territory.

11 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

12 **A.** The purpose of my testimony is to provide information that supports granting U.S.
13 Cellular's petition that requests funding from the NEBP. I will demonstrate our petition,
14 docketed as NUSF-92.15, is in the public interest and benefits consumers in Nebraska.

15 **Background on U.S. Cellular**

16 **Q. BRIEFLY DESCRIBE U.S. CELLULAR AND ITS PROVISION OF SERVICES**
17 **IN NEBRASKA.**

18 **A.** U.S. Cellular provides a range of wireless services and products, excellent customer
19 support, and a high-quality network to approximately five million customers in 26 states.
20 U.S. Cellular has a strong presence in Nebraska, employing approximately 213 associates
21 and operating 15 company-owned retail stores, and 31 authorized-agent locations across
22 the state. Since our founding in 1983, U.S. Cellular has been headquartered in Chicago

1 and we currently employ approximately 6,000 full-time equivalent associates across our
2 footprint.

3 U.S. Cellular has an exceptionally strong presence in rural areas, including Nebraska.

4 Our Nebraska operations began in 2003 when U.S. Cellular, who uses CDMA-
5 technology, commercially launched the Omaha and Lincoln markets utilizing PCS
6 spectrum. In 2006, U.S. Cellular purchased the Cellular A band market, consisting of
7 106 cell sites, formerly owned by Western Wireless (d/b/a Cellular One). The
8 opportunity to purchase this network arose when Alltel, now Verizon, purchased Western
9 Wireless and was forced to divest certain spectrum in Nebraska. This presented U.S.
10 Cellular with an opportunity to increase its footprint from serving just the Lincoln and
11 Omaha areas to providing wireless service to a substantial portion of Nebraska. After the
12 acquisition, U.S. Cellular upgraded the Western Wireless towers at an expense of roughly
13 \$70,000 per cell site. We have continued to grow since 2006 and U.S. Cellular presently
14 has 396 towers in Nebraska.

15 U.S. Cellular utilizes a state-of-the art mobile switching center located in Omaha. It has a
16 full power back-up system to provide redundancy. We have field teams across Nebraska
17 enabling quick dispatch of personnel if problems arise that require on-site repair.

18 **Q. WERE YOU INVOLVED IN THE PREPARATION OF U.S. CELLULAR'S**
19 **PETITION FOR SUPPORT FROM THE NEBP FILED WITH THIS**
20 **COMMISSION ON FEBRUARY 3, 2014?**

21 **A.** Yes. I oversaw the preparation of the petition and the accompanying exhibits. I
22 interfaced with our team to select the locations contained in our petition. U.S. Cellular is

1 seeking funding to upgrade fifteen (15) existing towers to enable the delivery of
2 broadband service.

3 **Q. WHY IS U.S. CELLULAR SEEKING SUPPORT FROM THE NEBP?**

4 A. U.S. Cellular has previously been awarded funding from the NUSF Dedicated Wireless
5 Program, and last year from the NEBP. This support has enabled U.S. Cellular to bring
6 better wireless coverage to rural customers. With the dramatic changes that have occurred
7 in recent years with the federal USF, the availability of NUSF support is greatly
8 appreciated. The NEBP offers an opportunity to provide improved telecommunications
9 services to both wireline and wireless consumers in rural areas. The NEBP is bringing
10 broadband to rural consumers in Nebraska who do not presently have access to this vital
11 and fundamental service and U.S. Cellular is excited to participate in this program.

12 **Q. BRIEFLY DESCRIBE YOUR APPLICATION.**

13 A. U.S. Cellular is seeking funding to upgrade a total of fifteen (15) existing towers to
14 deliver LTE wireless broadband services. These towers are located near the towns of:
15 Anslemo, Ansley, Brewster, Brownlee, Burwell, Callaway Dunning, Greeley, Long Pine,
16 Merriman, Oconto, Spalding, Stapleton and Verdon. Each tower would receive funding
17 that would enable U.S. Cellular to provide wireless broadband speeds of at least 4 Mbps
18 on the downlink and 1 Mbps on the uplink.

19 **Q. ARE THE LOCATIONS IN U.S. CELLULAR'S APPLICATION LOCATED IN
20 UNSERVED OR UNDERSERVED AREAS?**

21 Yes, I believe the towers contained in U.S. Cellular's petition are located in unserved or
22 underserved areas. U.S. Cellular identified "served" areas based on the Commission's
23 criteria of 4 Mbps on the downlink and 1 Mbps on the uplink utilizing the State

1 Broadband Map, as well as from public maps of its competitors. Some overlap between
2 wireless providers may occur, but such is unavoidable due to the delivery method of
3 wireless service not having rigid boundaries. However, this should not negate the
4 opportunity for wireless carriers to receive funding.

5 **Q. DO YOU HAVE ANY THOUGHTS ON STAFF'S RECOMMENDATIONS?**

6 Yes. We are grateful to have received funding for all of the projects U.S. Cellular
7 submitted for consideration in its petition. If approved, U.S. Cellular commits to fulfill
8 all expectations required of NEBP recipients, including meeting the deployment
9 schedule, the 25% financial match, filing broadband maps and all other requirements.

10 **Q. HOW WILL APPROVAL OF U.S. CELLULAR'S PETITION FURTHER AND**
11 **PROMOTE THE PUBLIC INTEREST AND UNIVERSAL SERVICE IN**
12 **NEBRASKA?**

13 **A.** Customers living in the rural areas served by the upgraded towers will enjoy the same
14 quality mobile broadband service that urban customers receive. Granting U.S. Cellular's
15 petition fulfills the goals of universal service by providing rural customers with advanced
16 telecommunications services that are comparable to that which is available in urban
17 areas. Furthermore, offering broadband as a component of a wireless service package
18 may give some consumers the option to choose U.S. Cellular as their principal
19 telecommunications provider, as opposed to wireless being a secondary communication
20 tool. Robust competition will encourage all companies, landline and wireless to
21 introduce innovative and better-priced offerings which will benefit Nebraska's
22 consumers. Approving Staff's recommendation furthers the public interest and the goals
23 of universal service.

1 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

2 A. Yes.