

**BEFORE THE
NEBRASKA PUBLIC SERVICE COMMISSION**

In the Matter of the Nebraska Public)
Service Commission, on its Own Motion,)
to Consider Appropriate) Application No. NUSF-139
Modifications to the High-Cost Distribution)
and Reporting Mechanisms in its)
Universal Service Fund Program in)
Light of Federal and State)
Infrastructure Grants)

**CHARTER FIBERLINK - NEBRASKA, LLC,
AND TIME WARNER CABLE INFORMATION SERVICES (NEBRASKA), LLC’S
COMMENTS IN RESPONSE TO PROGRESSION ORDER NO. 4 ISSUED ON
NOVEMBER 6, 2024**

Charter Fiberlink - Nebraska, LLC and Time Warner Cable Information Services (Nebraska), LLC (these entities and their affiliates, including corporate parent Charter Communications, Inc., collectively “Charter”) hereby respond to the Order Issuing Findings and Conclusions, Seeking Further Comment, and Setting Hearing entered on November 6, 2024 (“Progression Order No. 4”). Progression Order No. 4 requested that interested parties submit comments regarding the proposed transitional Nebraska Universal Service Fund (“NUSF”) support model for 2025. Charter offers brief responsive comments.

Charter appreciates the Commission’s deliberative approach to determine how best to move forward with the NUSF, and the Commission’s decision to consider 2025 a transitional year for the state’s high-cost distribution mechanism. A transitional year will allow the Commission time to refine the complex details of NUSF support methodology and models for the long term. For both transitional and long-term approaches, Charter seeks to focus the Commission’s attention on one issue at this time: the importance of undertaking a comprehensive approach that considers all sources of revenue from supported networks when making determinations of need. Because

the current focus of NUSF support is to build broadband-capable networks, all the revenues and other cash inflows that Nebraska eligible telecommunications carriers (“NETCs”) receive from those networks should be considered in determining the need for NUSF support. Whether utilizing a funding benchmark or the NUSF-EARN form, it is important to consider all sources of revenue and income:

- Both intrastate and interstate services;
- Both telecommunications services and information services;
- Both retail and wholesale revenue; and
- Both revenue from customers and support from governments (including grants that fund construction of broadband-capable networks).

As technology and consumer needs have evolved, the funding of NETCs’ networks has also evolved. To match the evolution of support distributions, the measurement of NETCs’ need for support must similarly move past the arbitrary distinctions of the past. As the Commission develops and refines both the transitional 2025 support mechanisms and a long-term funding approach, Charter urges the Commission not to overlook any existing source of revenue or cash flows that NETCs obtain from or for their networks in measuring those NETCs’ need for support.

Thus, for example, federal intercarrier compensation support should be included as part of the federal imputation calculation, not excluded as proposed in ¶ 8(h) of Progression Order No. 4. More importantly, however, even if excluded from the specific federal imputation calculation, that support constitutes real dollars that NETCs use to support their networks, and must be considered and incorporated into some part of the Commission’s calculations of need. Similarly, NUSF-EARN forms must include requests for information about all of the classes and categories of income listed above. If these steps are not taken, the Commission’s calculations will overstate the

need for NUSF support, resulting in windfalls to some supported providers, wasting NUSF dollars, and unduly burdening customers of intrastate telephone service. Charter urges the Commission to protect and steward NUSF surcharges so that distributions meet the need for the services and locations that require support, but do not provide additional, unneeded funding.

Thank you for your consideration of this important issue.

Dated: November 25, 2024

Charter Fiberlink - Nebraska, LLC and Time Warner
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 25th day of November, 2024, the above Charter Fiberlink – Nebraska, LLC, and Time Warner Cable Information Services (Nebraska), LLC’s Comments in Response to Progression Order No. 4 Issued on November 6, 2024, in Application No. NUSF-139, was delivered via electronic mail to the following:

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