

**Before the
NEBRASKA PUBLIC SERVICE COMMISSION**

In the Matter of the Nebraska Public Service)
Commission, on its own motion, seeking to)
implement policies and procedures related to) Application No. NUSF-143
providing dedicated universal service support for)
wireless telecommunications services.)

COMMENTS OF CTIA ON ORDER OPENING DOCKET

CTIA provides these comments before the Nebraska Public Service Commission (“Commission”) on the Order Opening Docket in App. No. NUSF-143 that opens a dedicated proceeding to consider issues related to the Nebraska Universal Service Fund (“NUSF”) program for deployment of wireless infrastructure in rural Nebraska and seeks comment on potential modifications to the Commission’s rules “to increase carrier participation” in that program.¹

I. INTRODUCTION AND SUMMARY

CTIA commends the Commission for recognizing the importance of mobile service for all Nebraskans, especially those living in the most rural parts of the state and for using the NUSF to bring wireless service to all Nebraskans. These comments respond to the questions posed in the Order.

As discussed in more detail below, CTIA recommends that the Commission tailor a specific Nebraska Eligible Telecommunications Carrier (“NETC”) designation for the NUSF wireless program, use a traditional grant agreement model, modify the scoring criteria in the program to better support sustainable projects, and explore ways for tower companies to participate in the program, such as through partnerships with wireless providers.

¹ *In the matter of the Nebraska Public Service Commission, on its own motion, seeking to implement policies and procedures related to providing dedicated universal service support for wireless telecommunications services, App. No. NUSF-143, Order Opening Docket (entered Feb. 4, 2025) (“Order”).*

II. THE COMMISSION SHOULD TAILOR AN NETC DESIGNATION SPECIFICALLY FOR THE WIRELESS PROGRAM

Per Neb. Rev. Stat. § 86-324, the Commission may provide NUSF support only to “eligible telecommunications companies designated by the Commission,” but Nebraska statutes do not set specific requirements for the Commission’s designation of NETCs. As the Order correctly notes, the Commission has substantial flexibility in determining the terms of an NETC designation.²

CTIA urges the Commission to “consider a designation for mobile wireless that is specific to the goals of this program.”³ The Order observes that the Commission historically has set criteria for NETCs that are “consistent with federal ETC designations requirements.”⁴ However, “a state-certified ETC and an ETC designated for federal purposes are different designations and are not necessarily predicated on the same regulatory requirements.”⁵ Even under federal law, different criteria apply for ETCs designated for different programs. For example, the Federal Communications Commission (“FCC”) recognizes ETC designations that are specific to the Lifeline program with relief from general ETC obligations that are not relevant to Lifeline (*e.g.*, requirements for providers to be facilities-based and to submit five-year plans of network improvements).⁶

The NUSF wireless program currently provides “infrastructure funding focusing on the construction of cell towers in rural areas to close gaps in mobile coverage.”⁷ In other words, it essentially operates as a grant program supporting specific infrastructure deployment projects,

² See Order at 3.

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ See, *e.g.*, 47 C.F.R. § 54.202(a)(1)(ii).

⁷ Order at 1.

with an obligation to provide a designated tier of service on the tower for a term of years following construction. There is no apparent reason why the full panoply of existing ETC requirements need to apply to NETCs designated solely to participate in the wireless program that focuses on tower construction. CTIA's members believe that a more tailored set of NETC requirements for the wireless program is appropriate and would promote more robust program participation, especially if coupled with other targeted changes to the wireless program.

Given the Commission's flexibility to tailor NETC requirements to specific programs, the Commission should create a particular type of NETC designation for the wireless program and tailor the scope of obligations for such NETCs to the purposes of the program. At the same time, the existing reporting obligations for the NUSF wireless program are sufficiently robust for the Commission to monitor participants' compliance. There would be no need to modify them if the NETC requirements for the program were modified.

An analogous tower funding program the Commission may wish to examine is Missouri's Cell Towers Grant Program, which operates successfully on a more traditional grant agreement model.⁸ Specifically, the state sets criteria for potential projects; applicants submit applications identifying specific projects and setting out funding requests; the state selects projects based on its articulated criteria; grantees sign grant agreements with the state; and the state ensures performance via the grant agreement over the term of the award.

The Commission should consider whether NETC designations for its wireless program could be aligned with a more contract-based approach, closer to the nature of the Missouri wireless tower program. For example, the NETC designation for this program could require an NETC to comply with the terms of its deployment award contract, on penalty of losing NETC

⁸ Missouri Dept. of Econ. Dev., "Cell Towers Grant Program Draft Guidelines," <https://ded.mo.gov/media/pdf/cell-towers-grant-program-draft-guidelines>.

status (and NUSF funding along with it). Such an approach would be consistent with the use of a streamlined or even automatic designation process, as proposed in the Order, premised on the provider's commitment to comply with the terms of the award, as well as existing commitments including offering roaming and collocation at market-based rates, adherence to state and federal regulations, and access to enhanced/next-generation emergency services.⁹

A more tailored approach to NETC status would better align the conditions and obligations of an NETC for the Commission's wireless program with the nature and scope of the support provided. This is likely to make the program more attractive to a broader range of wireless providers.

III. THE COMMISSION SHOULD MODIFY THE WIRELESS PROGRAM SCORING CRITERIA TO BETTER SUPPORT SUSTAINABLE PROJECTS TO EXPAND RURAL COVERAGE, AND TO ATTRACT MORE APPLICANTS.

CTIA also agrees that the Commission could promote greater participation in the NUSF wireless program, and better achieve the program's goals, by modifying the program's scoring criteria to better support sustainable projects. CTIA recognizes that the current scoring criteria seek to focus funding on projects that serve the most rural, sparsely populated, and difficult-to-serve areas of the state.¹⁰ However, by limiting funding to projects that *exclusively* serve such areas, the current rules actually hamper the program's effectiveness. By their nature, wireless towers serve a broad geographic area, and designing networks to *avoid* serving areas surrounding a tower can be very difficult or impracticable (and limitations on the availability of tower sites are an element of this problem). Thus, even when serving extremely rural areas, a tower's coverage area can extend into adjacent, more populous (but still rural) areas of the state.

⁹ Order at 3.

¹⁰ *See id.*

Unfortunately, when such surrounding, populous areas are ineligible, the program's strict limitations effectively exclude otherwise ideal tower locations from funding.

CTIA also notes that the current exclusivity criteria undermine the program's ability to fund projects that will be sustainable in the long run by imposing limits that are contrary to the way wireless providers actually plan tower expansion projects. It is difficult to sustain the operating costs of a tower if it must be sited to exclusively serve the least-populous and most-transient areas of the state. By contrast, a tower project that primarily serves an eligible, extremely rural area, but at the edge of coverage overlaps with a more populous or more heavily traveled area, could generate sufficient traffic to be independently economically sustainable over time. This is an important consideration given that the program funds only deployment costs.

The current limitations also risk the creation of "coverage islands" – pockets of coverage in the most rural areas that are surrounded by areas with spotty or no coverage. By contrast, wireless providers typically plan coverage expansion to provide continuous coverage that enables a seamless customer experience and to maximize projects' public safety and commercial benefits.

To improve the wireless program, the Commission need not abandon its focus on the most rural, least populous, and least traveled areas of the state. Rather, the Commission should simply modify the rules to specifically allow projects that *also* provide some overlapping service into other adjacent areas.

The Commission also should consider whether an adequate share of NUSF funding is allocated to wireless service. CTIA continues to oppose any significant expansion of the total size of the NUSF in order to minimize the impact on Nebraska consumers, including Nebraska wireless consumers who already contribute the majority of all NUSF revenues. However, given

the significant importance of mobile services, including for public safety, the Commission should consider whether a larger share of the NUSF should be allocated to ensuring that Nebraskans can access mobile wireless services wherever they live, work, and travel.

IV. THE COMMISSION SHOULD EXPLORE WAYS FOR TOWER COMPANIES TO PARTICIPATE IN THE WIRELESS PROGRAM

The Order seeks comment on whether the Commission should consider awarding NUSF support to companies working in partnership with wireless providers, such as tower companies.¹¹ This question accurately recognizes that, today, most wireless towers are built and maintained by tower companies rather than wireless providers. As such, there is great potential benefit to exploring ways, consistent with Neb. Rev. Stat. § 86-324, for tower companies to engage with the wireless program.

For example, the Commission might solicit bids from partnerships or collaborations between wireless providers and tower companies. The tower company would construct and maintain the tower, and the wireless provider would place the radio network equipment and ensure compliance with post-construction service requirements. A wireless provider's participation in the partnership or collaboration should allow the Commission to disburse NUSF funding consistent with Neb. Rev. Stat. § 86-324.

Missouri's Cell Towers Grant Program provides insight into how successful this approach can be. Publicly available information shows that AT&T, T-Mobile, and Verizon each partnered with tower companies on submitted applications, while UScellular filed applications without a partner.¹² The vast majority of Round 2 applications proposed to offer 5G service

¹¹ Order at 4.

¹² See e.g. Cell Towers Grant Program: Round 2 Application List, available at <https://ded.mo.gov/media/pdf/cell-towers-grant-program-round-2-application-list> (last visited February 26, 2025) (wireless provider affiliates' names on the applications vary).

from constructed towers.¹³ In all, 88 applications were submitted to Missouri’s Cell Towers Grant Program in two grant rounds.¹⁴

CTIA and its members support finding an appropriate way for the NUSF wireless program to recognize the role that tower companies currently play in constructing and maintaining wireless towers and looks forward to working with the Commission towards achieving that goal.

V. CONCLUSION

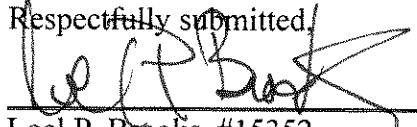
The NUSF benefits Nebraskans by recognizing the importance of wireless service in rural areas, and it is timely and appropriate for the Commission to consider how to improve and boost participation in the wireless program. The Commission can take significant steps in this direction by tailoring the scope of an NETC designation for the wireless program to match the limited scope of support available in the wireless program; governing wireless program awards through grant contracts; aligning funding availability with the ways that wireless networks are deployed today—creating sustainable projects that serve extremely rural areas by allowing some overlapping coverage into slightly more populous, adjacent rural areas; and expanding program participation to include tower companies in recognition of the primary role that tower companies play today in the tower construction process. CTIA looks forward to working with the Commission to develop appropriate modifications to the rules to address these issues and better ensure the future success of the Commission’s wireless program.

¹³ *Id.*

¹⁴ Cell Towers Grant Program Infographic, available at <https://ded.mo.gov/media/pdf/cell-towers-grant-program-infographic> (last visited February 26, 2025).

Respectfully submitted,

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