

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public	)	Application No. C-5640
Service Commission, on its own Motion,	)	
to administer the Nebraska Broadband	)	ORDER OPENING DOCKET
Bridge Program in the 2025 Program	)	SEEKING COMMENT AND
year.	)	NOTICE OF HEARING

Entered: March 4, 2025

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**COMMENTS OF WINDSTREAM**

Windstream Nebraska, Inc. (“Windstream”) hereby respectfully submit these comments as permitted by the Order Opening Docket and Seeking Comment and Notice of Hearing (“Order”) issued by the Nebraska Public Service Commission (“Commission”) on March 4, 2025, and state as follows:

**I. Introduction**

Windstream’s recommendations stem from its previous participation in the Nebraska Broadband Bridge Program (NBBP) as an economic partner providing broadband service to Nebraskans. Windstream appreciates the Commission opening this proceeding and Windstream looks forward to collaborating with the Commission and the industry to further enhance the current rules. Windstream submits the following comments related to the Issues for Comment contained in the Order.

**II. Response to the Commission’s Questions**

**1. Coordinating NBBP and NBEAD**

*Given that significant amounts of NBEAD broadband funding are likely to be released in Nebraska in 2025, how best can the Commission guide NBBP to serve Nebraskans?*

Windstream recommends that the Commission pause the NBBP for one year to assess the NBEAD Program’s progress in Nebraska. At the date of this filing, the

NBEAD Program's application window has been delayed, and the timing is uncertain. The NBO's NBEAD Program is expected to conflict with the Commission's projected 2025 NBBP. Notably, NBEAD will not be administered by the Commission. Windstream foresees that it will be problematic for two separate broadband funding programs administered by two separate regulators to be ongoing at the same time and could result in confusion for applicants, as well as unintended duplicate funding scenarios or overbuild. It is also unclear to the industry if the NBBP will have a budget for deployment of broadband. NBEAD will be a sweeping program and the Commission would be prudent to pause the NBBP at this time to assess the impact of NBEAD and resulting eligible locations. It could be that the NBBP program is better suited to fill the gap that may result from NBEAD or there could be other opportunities open to use the NBBP funds.

*What adjustments should be made to the NBBP to ensure optimal coordination with the NBO in their awarding of grants?*

While state law has encouraged coordination between the NBO and the PSC, it is not feasible for the State to operate broadband programs administered by two different agencies at the same time. This breeds inefficiency and could lead to double funding of areas.

*Since DPAs for NBEAD are known, should these areas be excluded from eligibility for NBBP grants?*

Yes, excluding NBEAD DPAs is necessary to ensure public funding is not duplicated.

## **2. Procedural Schedule**

Windstream suggests the Commission pause its procedural schedule as to not overlap with NBEAD deployment.

## **3. Adjustments to the Scoring System**

Windstream encourages enhanced scoring and priority for fiber projects. Fiber ensures future-proof projects and the most scalable long-term technology.

## **4. Challenge Process**

Windstream supports the Commission to continue its approach to the Challenge Process utilized in the immediately preceding program year but emphasizes that NBEAD eligible locations should be presumptively excluded.

## **5. Benchmark Rates**

The Commission should continue to align the Benchmark Rate with the FCC's benchmark rate that goes into effect this year, which is \$60.12 . This approach provides a clear and objective metric to determine the appropriate costs to provide services across multiple markets. In addition, this is a methodology already familiar to many providers as it is the pricing benchmark used in Connect America Fund Phase II (CAF II), Rural Digital Opportunity Fund (RDOF), and other federal Universal Service Fund (USF) programs. Furthermore, the Urban Rate Survey accounts for flexibility for providers as it adjusts with changing economies.

## **6. Affordable Connectivity Program**

ACP is not likely to continue due to fund depletion in early 2024. The Commission should remove this requirement.

## **7. Broadband Labels**

The Commission should not impose additional requirements upon applicants related to broadband nutrition labels. The FCC rules apply to all internet service providers and the rules already ensure transparency.

## **8. Project Budgets**

Budget categories should be flexible due to applications being submitted based on estimates and reimbursements known at the time of the application, which are often based on a Provider's experience in previous programs. The Commission should not penalize applicants that did not expend all possible funds in prior years. If an applicant wins an award over other competitors and subsequently builds for less than the application budget estimate, this evidences the application's efficiency and cost effectiveness and thus, the applicant should not be penalized for its efficiency. Windstream requests that providers be granted flexibility within the approved budget or any approved revised budget to reallocate expenses amongst cost categories as reasonably needed. In other words, a provider's demonstration that costs decreased in one category and thus carried over to another category while remaining within the overall approved budget should not be prohibited by the Commission. Likewise, in the event the Commission contemplates a budget revision for a revised application, Windstream requests that the Commission seek input from the respective provider as to the overall impact on the proposed project rather than making a unilateral decision that risks program participation and ultimately harms citizens in eligible project areas that are most in need of service upgrades. This dialogue between the Commission and

a provider promotes transparency and efficiency while avoiding project disqualification due to lack of clarity.

#### **9. Financial Capability**

Registered ETC status should eliminate any additional reporting for Financial Capability. It is appropriate to require additional financial investigation into applicants that do not maintain registered ETC status.

#### **10. Customer Drops**

Customer drops, including long customer drops, should be eligible for reimbursement.

Windstream supports this as an eligible expense for reimbursement.

### **III. Conclusion**

Windstream appreciates the Commission considering these comments. The Commission's receptiveness to providers comments will only ensure that a future NBBP, at the appropriate time, would continue to be a successful program helping to close the digital divide gap in Nebraska.

Respectfully submitted this 25<sup>th</sup> day of March, 2025.

WINDSTREAM NEBRASKA, INC.,

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**Certificate of Service**

The undersigned hereby certifies that on this 25<sup>th</sup> day of March, 2025, one (1) electronic copy of the foregoing Comments of Windstream was delivered to the Nebraska Public Service Commission at [psc.broadband@nebraska.gov](mailto:psc.broadband@nebraska.gov).

/s/ Sarah Barnett